

THE Hongkong Weekly Press

AND

China Overland Trade Report.

VOL. LXV.]

HONGKONG, SATURDAY, 17 JUNE, 1907.

No. 22

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BIRTH.

On May 28th. at Quarry Bay, Hongkong, the wife of A. Nilsson, of a son.

Hongkong Weekly Press.

HONGKONG OFFICE: 10A, DES VŒUX ROAD CL.
LONDON OFFICE: 131, FLEET STREET, E.C.

ARRIVAL OF MAILS.

The English Mail of May 3rd arrived, per the s.s. *Malla*, on Wednesday, the 29th instant.

ERRATUM.

HONGKONG GENERAL CHAMBER OF COMMERCE.
The following correction of the Chairman's speech was received after the pages were printed. Referring to Mr. Keswick, he said:
"Not only as on his own account, as we know his advice will be of assistance to us in our deliberations, but also as the son of a man who for so many years held a leading place in the Far Eastern Trade, and who during a period of some fifteen years repeatedly acted as Chairman of the Hongkong Chamber of Commerce."

FAR EASTERN NEWS.

The Hongkong Post Office has issued a new four-cent stamp printed in crimson on white.
The firing of a general salute on the 26th May announced the arrival from Peking of Tatar General King Lung, who goes to Canton to take over command of the forces. The visitor was met on Blake Pier by Captain Ogle, A.D.C. to H.E. the Officer Administering the Government and escorted to Government House, where he spent the day. In the evening he left by river steamer for Canton.

Sapper J. C. Kelly of the Royal Engineers fell from the verandah of Wellington Barracks on the 26th May. He received a fractured skull and death ensued shortly after the fall.

We hear that Mr. E. S. Joseph, secretary to the Hongkong Stockbrokers' Association, is resigning, and beginning this month as yarn broker for the principal importer of Indian yarn.

At the Magistracy, on May 25th, Mr. F. A. Hazeland passed an exemplary sentence on a Chinese youth for snatching from two European ladies, Wong Sau, the culprit, was convicted of snatching their purses from Mrs. Whiteley and Mrs. Montgomery in Wyndhurst Terrace on Tuesday last and was sent to prison on the first offence for six weeks with hard labour, ordered to be exposed in the stocks for six hours and afterwards to receive two whippings of twelve strokes each, this sentence to be repeated for the second offence.

Before Mr. F. A. Hazeland at the Police Court on May 27th, Tsang Sau, unemployed, was charged with obtaining \$650 by false pretences from a woman residing on the Kowloon City Road. The defendant approached the woman with a sheet of note paper in his hand bearing a foreign chop and on which appeared a scrawl of English characters. He persuaded her that it was a draft for \$100 sent from her sister at Singapore, and on presenting her with the paper asked for some money. She handed him \$650 and he went away. Then she found out that she had been tricked. Tsang, however, was not aware of this and returned for another \$5. He was arrested. His Worship held the charge proved, and sentenced the defendant to three weeks' imprisonment and six hours' stocks.

The *Foochow Echo* of May 18th says:—A sudden contraction has taken place in the demand for opium at this port. This is due to the very recent and stringent measures which have been taken to suppress its use. So great has been the consumption of opium here and so numerous have been the consumers that almost anyone would have said three months ago that any attempt to suppress its traffic would be futile. What was hitherto considered impossible became this week an accomplished fact. Out of the three thousand opium dens which did business last week there is not a single one to-day which is open. This remarkable state of affairs was brought about by the anti-opium societies cooperating with the officials in the active crusade against the opium dealers and consumers.

On May 20th was issued at Peking a decree in reply to a memorial from Lu Pao chung, President of the Censorate, trying to show that the ex-Censor Chao Ch'ien had really no evil intent in his recent denunciatory memorial (against Princes Ching and Tsai Chên) but had done only what he considered to be his duty. "We can not allow the said ex-Censor's conduct to pass unquestioned, in that he recklessly libelled the highest and most important officials of the Crown, without, first making careful inquiries. Moreover, the prerogative of mercy belongs to us, and it must not be felt that we must pardon persons at the mere prayer of other ministers of the Government. With regard to the statement that by the punishment we awarded the ex-Censor it is feared that this would put a stop to the diligence of Censors in being the "eyes and ears" of the Crown, we have already given our reasons in a former decree that every Censor must exercise care when criticizing officials to the Throne and must in future refrain from reckless libels."

The Colonial Treasurer's statement of the Colony's assets and liabilities on March 31st, shows a balance on the credit side of \$1,167,553.1, the total assets being \$1,457,621.84, and the liabilities \$29,106.53.

THE UPRISING NEAR SWATOW.

The riot which originated at Wongkong, a large commercial centre near Swatow, is assuming alarming proportions. The movement seems to have had its origin principally in the dissatisfaction of the people, engendered by the imposition of heavy likin duties on sugar. These duties were imposed three years ago, but recently something approaching a state of famine has been existing in the surrounding country, and the feeling against the extortions of the officials has consequently been greatly accentuated. The resentment has been fostered and encouraged by the followers of the revolutionary leader Sun Yat Sen, and the people of the surrounding districts are now reported to be massing under banners which represent the uprising as an Anti-Manchu rebellion. The rebels are distinguished by a sort of uniform. A piece of red cloth is worn on their arms and the queue is tied with white ribbon. The banners bear the character for "Sun."

At Wongkong there is a permanent garrison of 1,000 soldiers. At midnight on the 22nd a simultaneous attack is stated to have been made on the quarters of all the Civil and Military Officials in the place. The whole of the garrison is reported to have been asleep at the time, and when they were aroused they offered no opposition. A major and a few petty officers were killed and others taken prisoner.

The rebel leaders in the morning ordered the merchants to open their shops and resume their ordinary business, but commanded the rice-merchants to sell the grain at 5 cents per 1½ catties instead of 8 cents.

The Chinese Brigadier-General has since engaged the rebels at Chienchow, near Wongkong. It is reported that the rebels had the best of the encounter.

Telegrams were dispatched to Canton for reinforcements and the *Kwangtai* and *Meefoo* have been chartered by the Viceroy for the conveyance of the troops. Altogether the Viceroy is stated to be dispatching by these steamers 1,700 troops. The *Meefoo* was to leave Canton last night.

A *Daily Press* telegram, dated Swatow May 29th, said:—

No anxiety is felt here in connection with the rioting which has taken place in the neighbourhood of Wongkong. No attack on Swatow is expected. Sam Toi, the officer in charge of the prefectures of Waichow, Chienchow and Kayingchow, has sent a telegram to the Viceroy at Canton which states that Commandant Wong, with 300 soldiers, countered the rebels some distance from Wongkong. In the fighting which ensued, about 100 of the rebels were killed or wounded, among the number of the former being the ringleader of the rebellion. A number of rifles and banners were seized by the troops. Many of the rebels being in want of arms, are deserting their cause and journeying to other parts. The telegram concludes by asking the Viceroy to inform the soldiers who have been despatched to the scene of the uprising to proceed with all haste.

ASIATICS IN BRITISH COLONIES.

(Daily Press, 27th May.)

So far as can be judged by recent reports the question of the treatment of Asiatics in the British Colonies seems as far from a solution as ever. Vague hopes were entertained that some solution of the difficulty would be found through discussions at the Colonial Conference; but the nature of the subject is such that it seems impossible for any general understanding, which will be satisfactory and will prove of a workable nature, being arrived at. The difficulty is accentuated very much by the fact that the Colonies are not disposed to recognise any distinction between Asiatics who happen to be British subjects and those who are not. In one point of view this is of course justifiable. It is not the political nationality that Colonists object to, but the individuals themselves. An Indian or a Chinaman is disliked not because he belongs to India or to China, but because he belongs to a race who have different habits to Europeans and whose mode of life does not fit in with that of European Communities. But of course the chief objection to the Asiatic is that he is a severe competitor with Europeans in many walks of life. He keeps down the price—not of "usance"—but of labour and of trade profits and is consequently as unpopular in our Colonies as SHYLLOCK was in Venice. Unfortunately in addition to this objection to him, there is the undeniable fact that the habits of life of most Asiatics are not such as commend themselves to the average white man. We may ignore the fact as we like, but fact it still remains that an Asiatic element of any magnitude in a Colony is usually a source of considerable trouble to the Authorities and of no little annoyance upon moral and often insanitary grounds to the community. In such circumstances can we reasonably maintain that the Colonies are not justified in putting restrictions upon the advent of persons whom they consider likely to be a trouble to them and detrimental to their material interests? Upon purely economical grounds the best informed persons will no doubt be of opinion that the Colonies are mistaken in their views—as cheap labour is probably the most important asset which any community and especially a new community can possess. But it is not likely that the working classes with whom the Asiatics compete, will regard the matter in this light, and the voice of the working man is all powerful in most of the Colonies, and has, therefore, to be taken as finally deciding the question, so long as the right of Colonies to complete self-government is recognised, as it must be, in the present day, as a fundamental principle. If, therefore, the Colonies set their backs up against the admission of Asiatics, it is certainly difficult to see how the Home Government can say them: "Nay."

There has been no little feeling evoked in England in consequence of the Transvaal passing a measure with a view to excluding Asiatics from that Colony and the course adopted is considered to be a special grievance in respect to natives of India, who are British subjects. It seems to be overlooked that a precisely similar measure was long ago passed in the Cape Colony and is the law there at the present time. There is, therefore, nothing special in the action of the Transvaal, and much more has been made of the matter than it really deserves. It is only one instance among many that have occurred of the assertion of inherent dislike which is felt in most Colonies

against persons of Asiatic birth settling down amongst them. This question is different in many respects from that of having Asiatics indentured to perform special work and under special conditions, which, though a great deal has been said against it, without in reality much reason, is on the whole the best and the most logical way in which such persons can be admitted. So long as there is a real demand for Chinese labour at the Rand mines it would manifestly be absurd to prohibit it under such restriction as may reasonably be imposed. It is, however, a different thing to admit Asiatics into the Colonies to settle down and become an integral part of them, and it is to this that the Colonies very strongly object. The position of the Home Government in regard to the question is thus a difficult one. It is, no doubt, a departure from recognised principles that any British subjects—as the people in India are—should be excluded from any British Colony merely upon the ground of their colour. This is the form in which the matter is usually put, but it is not a true statement of the case; and derives much of its force from being in the nature of a "catchword." In one sense it is true; but in another very misleading. If the Indian were as much fairer as he is darker than Europeans he would be equally objected to if he lived in the same way that he does, had the same habits, was in the same degree unsuitable socially, and above all spent so little for food and lodging that he can compete most seriously with Europeans. The Colonies have manifestly the right to at least a full hearing as to whether such persons should be received as fellow citizens, especially as when once they begin to come, they soon augment their numbers to a very considerable extent. The idea of totally excluding them may be considered going too far in the present days of liberalism in respect to international matters; but that their immigration must be regulated to some extent will be conceded by all. The practical question, therefore, resolves itself into what extent exclusive measures may be legitimately adopted—and this can only be left to the decision of each colony concerned. As time goes on it is likely that the Colonies themselves will take a more liberal view of the subject than can be expected of them while their own white population is comparatively small. The demand for labour must always be large in countries which have to be developed and opened up—and they may find that the advantages to be obtained from men who can do effective work in this direction will in a great degree compensate for such disadvantages as attach to the presence of an alien race. In the meantime, however, while opinion in the Colonies is such as it is at the present time, any attempt to force them to act contrary to their own convictions would be a serious mistake—and might in some instances lead to so much ill-feeling as to threaten a disruption from the central Authority. It will therefore, be wise for the Home Government, who may naturally take a different view of the subject to that entertained in the Colonies, to deal with due care in this matter and to leave it in the main to the decision of the Colonies themselves.

At last the *s.s. Wingchui*, one of the victims of the memorable typhoon, has been refloated from the rocks in which she was embedded at Samshuipo. The *Wingchui*, which was a popular vessel on the Macao run, was floated off last week, and will be placed on the slips in due course.

TRADE AT NORTHERN PORTS.

(Daily Press, 28th May.)

The first volume of Port Trade Statistics and Reports for 1906, issued by the Statistical Department of the Inspectorate General of Chinese Customs, deals with Newchwang, Chinwangtao, Tientsin, Chefoo, and Kioochow. The Commissioner at Newchwang notes that there had been too great expectations of trade there. Large stocks of foreign goods accumulated, filling all available godowns, and the demand from Manchuria failed to meet the flood of speculative supplies. He refers to feelings of "resentment" that followed, evidently meaning the charges that Japan was "queering the pitch," and he says of the Shanghai merchants who went to "look-see" that "unhappily, they did not go north of Moukden." His verdict, in effect, is that the Japanese were guilty, but not responsible. "Nobody need seriously believe that there was perfect equality of opportunity, and that the most was not made of the excuse of military necessity; but, after all, these had by comparison a small effect." The primary cause was that at the end of 1905 the country was not ready to absorb the enormous cargoes offered. There had also been "speculation in native produce, by importation through Talien and Vladivostok without payment of duty and (in the case of the Talien at least) with cheaper rates of carriage, by the extensive credit allowed under the 'transfer money' banking system," but the Commissioner of Customs makes it clear that disappointment awaited the speculators if the Japanese had not been there at all. When the accumulated goods did percolate, and found their market, the trouble was only just beginning. No money was received for them: "the high prices of native produce ruling a short time before were a temptation, and the proceeds of sales were invested in beans, bean-cake, and oil at higher prices than were warranted, and the buyers felt obliged to hold their stocks rather than face loss. The result was a deadlock." The interior importers could not pay the Newchwang dealers, who could not pay the Shanghai sellers, who again found themselves unable to take delivery of the stuff stored at their end. Vladivostok competition did not count for various reasons. For a time, "goods from the south had the advantage," but the supply was too lavish. Business throughout the summer, in foreign goods, was consequently dull, and the autumn prospects were killed by the announcement that Talien imports would be free so long as Vladivostok's were. For the future, given a settlement of these vexed questions, Manchuria promises well. It is prosperous, getting settled fast, with good crops and communities growing bigger and richer. But though immigrants are settling, brigands continue unsettling, and there is a suggestion that taxation is excessive. Talien beats Newchwang at present with better railway facilities, the rate per ton per mile from Newchwang being double the rate from Talien, and so it continues likely to get the cream of the trade.

The Commissioner at Tientsin dwells largely on the amazing urban developments there, building and population alike progressing. There was a great increase in shipping, also; and "in all this growth—in shipping, trade, population, and building activity—it is the Japanese who figure most prominently, the first full year of peace having witnessed a remarkable turning of their energies to commercial conquest." Tientsin importers are tending to ignore

Shanghai and deal direct with abroad, and there was an increase of nearly nine million taels in the value of direct foreign imports. This elimination of the profit of the Shanghai importer and of the expenses of landing, storing, and reshipment at Shanghai must have enhanced the profits of the Tientsin importers. The trade of Northern Chihli and Manchuria promises to make Chinwangtao an important port. At Chefoo, the Commissioner reports a thoroughly satisfactory year, and the prophecy that Chefoo's importance ended with the war has been falsified. The Commissioner at Kiaochow has nothing but praise for the German arrangement which invited the Chinese Customs to function at Tsingtau, in order to create and promote trade with the hinterland as well as a political rapprochement. It has now become, from a Customs point of view, the Hamburg of the Orient, only the harbour area being "free". Foreign trade increased nearly fifty per cent., and the year on the whole was "most satisfactory." Merchants were satisfied, though exchange fluctuation was against them as against others elsewhere. "Another feature deserving of record in this connection is the influx of Chinese. The new arrangement has inspired confidence in the stability and future of the port, and is attracting artisans, traders, and wealthy Chinese firms, which last, hitherto dealing with Chefoo, have until now kept aloof from this place. During the year seven new Chinese and five German, English, and Japanese firms have opened branches at Tsingtau, and its Chinese population is increasing visibly."

JAPAN IN KOREA.

(Daily Press, 29th May.)

Perhaps owing to persistent misrepresentations of conditions in Korea, made by persons whose prejudices are stronger than their sense of justice, the Japanese Residency General has authorized the publication of an official account of the work so far accomplished in the Peninsula. If this account errs on the optimistic side, it is no worse than the statements made by those who dislike and mistrust the Japanese, which statements have in some cases gone beyond all reason to blacken the administration. If politically the Japanese have been strengthening their hold on Korea, a suggestion none of Japan's friends is concerned to deny, at least they have been conferring a good many compensatory benefits on that neglected land and people. Roads are being reconstructed, waterworks established, schools organized, hospitals provided, a proper police system organized, law and order established, industry encouraged and corruption—worse than Chinese—routed out. Much has been accomplished already, in very little over two years. From the first installment of the loan advanced against Customs securities, fifteen hundred thousand yen were taken for the construction of four high roads traversing regions of great promise, and the development likely to ensue is sufficient reason for the taxation of the various localities for the making of the tributary branch roads. The expenditure on waterworks at Chemulpo and elsewhere means remunerative enterprise, a good example for the various communities, and the betterment of the public health. A foreign concern holds a concession to provide waterworks for Seoul, which explains why a start was not made at the capital. What education there was—dubbed "the Confucian system"—was in the hands of village dominies, notwithstanding that in

1895 the Korean Government had ordained the introduction of primary schools on the western plan. Now Japanese teachers are busy instituting the system so well developed in their own country, without attempting to close the existing old-fashioned places of learning. The reform that Koreans will take longest to appreciate, but which may be said to have been the most imperatively needed of all, is the organization of a police system. Japan is generally believed, by those who have had opportunities for genuine observation, to have nothing now to learn from any nation in this respect; and if Korea gets as good a service as Japan enjoys, evildoers cannot expect to prosper as they have done in the past. At present each of the thirteen provinces has its Police Advisory Board, consisting of an Inspector, a Captain, and a number of policemen. In all there are 21 Inspectors, 54 Captains, 46 Interpreters and 613 constables, (Japanese) and 22 Inspectors, 65 captains, and over 2,000 Patrolmen (Koreans). Part of this police reform, in its activity round the Palace, has been misunderstood. The Royal Palace has for long been a "rendezvous of adventurers and conspirators."

"Divining, fortune-telling, and spirit-incanting found favour there and knaves and villains plotted and intrigued within the very gates of the Court, in co-operation with the native and foreign schemers without. By cheating the Emperor's treasury of its funds, and in their eagerness to fill their pockets never stopped to think of what dangerous seeds of disorder and crime they were scattering broadcast over the beleaguered peninsula. In view of this perilous trend of affairs, the Resident-General waited on the Emperor and explained to His Majesty the imperativeness of henceforth enforcing strict scrutiny on those gaining access to the Imperial abode. He proposed to place the guarding of the palace in the hands of the Advisory Police, which as a matter of fact constituted the life of Korea's police administration. Having obtained Imperial consent to the proposal, the Resident-General forthwith ordered the Police Advisor to detail police officers at each of the court gates to keep rigorous watch and shut them against all those not possessing permits. At the same time the Resident-General appointed a Committee to deliberate on grave questions relating to the purification of the Court measures to clear the palace of objectionable elements infesting the Imperial surroundings, and by promulgating the 'Palace Precincts Ordinance' caused special passes to be issued to persons having legitimate business with the Court. This was an extraordinary step to adopt; but it was unavoidable as the only available plan to insure the safety of the Imperial House and the peace of the country. In Court circles there were no doubt some who at first felt alarmed at this radical turn of affairs; but the sterling sincerity of the Resident-General's solicitude became gradually better known, the force of resentment has since slackened, until no voice is now heard in open opposition."

A great deal was made of this by persons antipathetic to the new régime. They pointed out with plausibility that the Emperor was thus virtually a prisoner in his own Palace; but then, in just the same way, and with perhaps much less reason, so is the Emperor of Japan or the King of England. Another result of Japanese management is that Korea now has a system of local administration, a judiciary worthy the name, a more stable currency, and more equitable revenue methods, and presently it is to have a Civil as well as a Criminal code. All this takes time, however, and if the Japanese are unable to effect a state of perfection all at once, it is not for grumbling foreigners to throw stones at them. Those who have been doing so have had their reasons, it is supposed; but fortunately the position of the Japanese Government is too strong to be seriously affected by such flea bites. By and by, when the reformers

have had their fair chance, we fancy foreign traders will find that it has been to their advantage as well as to Korea's.

HONGKONG CHAMBER OF COMMERCE.

(Daily Press, May 30th.)

That indispensable body, the Chamber of Commerce, marked the passing of a very busy year yesterday. The nature of the work done, with its great variety of headings all intimately associated with the commercial progress of Hongkong, is sufficiently indicated in the report, of which we give a very full abstract in connection with our report of the proceedings at the annual meeting. Currency reform is a standing dish, of course, and the correspondence published by the Chamber contains little with which our readers are not already familiar. It opens with an unlamented letter from Messrs A. S. J. DAVID & Co., emphasizing the great importance to the trade of the port of "this matter", and hoping the Chamber would bring all the pressure it could on the Chinese Government "to remedy the present unsatisfactory system." The letter did not suggest a remedy, and it was probably quite incorrect in attributing the slackened demand for Indian yarn to the depreciation in the value of the Chinese silver subsidiary coins. The Chamber in reply was of opinion that the reason given for the unsatisfactory state of the import trade (especially yarn) was not the sole or even chief cause of the existing depression. It might have gone further and said it had nothing whatever to do with it. What has the Indian yarn importer, selling to Chinese dealers who sell to inland consumers, suffered from the depreciation of subsidiary coins? Not a cent. The troubles of the yarn market are quite easily explained, but not in that way. Messrs. DAVID's letter was of the helpless, "something-might-be-done" order, and the Chamber's reply, that it was doing all it could, was correct and sufficient. The next was the letter from the secretary of the Star Ferry Company, made public at the time. In that letter, it will be remembered, the Hon. Mr. OSBORNE offered theories that were at least intelligible and plausible for the degradation of British subsidiary coinage, and ventured to suggest that these latter should be rehabilitated and protected by making them legal tender to any amount, to the exclusion of all other coins, and by (as would thus follow) the Government pledging itself to redeem all its coins at par. To this the Chamber was less sympathetic. It did not agree that the Government which issued these coins had any such duty, but that because their intrinsic value was less than that of the dollar, their exchange value was naturally liable to fluctuate according to supply and demand. That the Government should sell five coins for a dollar (which cost them less) on the strength of their credit, and afterwards refuse to give a dollar for them, may be natural and right, but it doesn't seem so. In any case, unless some such suggestion as Mr. OSBORNE's is given a trial, it seems little use hoping for any outcome from indirect petition to the Chinese Government to reform. It would seem that local legislation should be easier to start, but the Chamber could not see their way to make any representation for legislation. Meanwhile we are entitled to refuse Chinese coins—a hard thing to start—and the third joint representation via the diplomatic corps at Peking is on its way to the Throne, in terms as published the other day.

VICEROY SHUM.

(Daily Press 31st May.)

Was it not an American child who felt sorry for the lions, because there was too little of DANIEL to provide a square meal for all? The gentle reader might cultivate a similar tenderness of pity for the newspapers, for there is sometimes not enough real news to go round; but the lions of modern journalism prevent that kindness by roaring over the little as if it were much. It is even to be feared that some of them invert the philosophy of Mrs. EDDY and obtain comfort by imagining that which does not really exist. The public which is paying extra to see the lions fed—it is wonderful how far a metaphor will carry, sometimes—is supposed to like the noise they make, but there are some, it is to be hoped, who do not approve such foolishness. It is rumoured here that a report has come from elsewhere to the effect that some one heard it stated that there is a real rebellion raging in South China, with thousands and thousands of rebels, who, it is rumoured, are believed to entertain the desire to overthrow the present Manchu Dynasty. A shipping clerk has it on the authority of the office messenger who overheard a river-steamship captain tell a passenger that the chief officer had heard the rebels had real guns. Evidently the Dynasty is in imminent danger, and the telegraph clerks are overworked. The London papers are by this time telling their readers that there are new symptoms of "the awakening of China." To-morrow or next day the *Daily Mail* will re-assure our friends at Home with an exclusive telegram to the effect that the foreign population of Hongkong is not believed to be in any danger. That will not be quite correct. We are in some danger, of getting excited about nothing in particular. These local troubles, probably due entirely to dear rice and consequent privations among the masses, have been, we firmly believe, greatly exaggerated. There is no more likelihood of an anti-dynastic rebellion on even a medium scale of importance than there is of a peaceful revolution in Hongkong giving manhood suffrage to its inhabitants. Ever since the departure of Viceroy SHUM from Canton, that astute politician has been the subject of countless paragraphs, statements, and rumours. It is not even fortuitous that the stories of rebellion should be emphasized at the same time that there came an incredible story of his return to Canton. That story was current in Canton a full week ago or more, and though we do not insist that it cannot possibly have foundation in fact, we declare with confidence that the alleged rebellion and the rumours affecting Viceroy SHUM's career have no connection. If he has been re-appointed to the Vicerealty of the two Kwang, which we decline to believe as at present advised, it was not because there was this special reason for a change. He never had much success against the chronic rioters of Kwansi, and his helplessness—we will not say indifference—in the matter of lawlessness in the Canton Delta was notorious. Those who have studied our columns attentively will have gathered a fair idea of the present position of SHUM, who risked imperial displeasure by his cork-crew progress toward (?) his Szechwan appointment. After much scheming, both here and in the North, came the announcement that he had actually dared all and induced the EMPRESS-DOWAGER to change her mind. Once where he had all along wanted to be, near the Throne, and granted, for so young a

man, a high ministerial place, he lost no time in tackling the usual methods of "paying off" his enemies and rewarding his friends. He is as bold as well as a clever politician, and he staked to boldly. He trusted too much to the rope of Imperial favour that he held, and since even the EMPRESS-DOWAGER has to consider "face" sometimes, SHUM fell into at least nominal disgrace. If he had really been sent back to Canton, it would be a sort of gilded exile, rather than the selection of a strong man for a crisis. Until we have confirmation, however, we do not think our readers need waste time in speculating as to the reasons for a step that may not be taken.

HONGKONG SANITARY BOARD

A meeting of the Sanitary Board was held on May 28th at the Board Room. The Hon. Dr. J. M. Atkinson (President) presided, and there were also present Hon. Mr. W. Chatham (Vice-President), Dr. F. Clark (Medical Officer of Health), Hon. Mr. V. W. Irwin (Registrar General), Dr. H. McFarlane (Assistant Medical Officer of Health), Hon. Mr. E. J. Badley (Captain Superintendent of Police), Major T. P. Jones, R.A.M.C., Hon. Mr. E. A. Hewett, Mr. H. Humphreys, Mr. A. Shelton Hooper, Mr. Lau Chin-pak, Mr. Fuug Wa-chun, and Mr. G. A. Woodcock (secretary).

THE COMMISSION'S REPORT.

Hon. Mr. HEWETT remarked, before the business of the day was proceeded with, that he thought some trouble ought to have been taken by the Sanitary Department to see that members received from the Department the report published for their information.

Mr. HOOPER asked whether the minute of the Colonial Secretary criticising the report had been received.

The PRESIDENT—No, it has not.

Mr. HOOPER—Under those circumstances, I think it is only respectful to the Government that the Board should give them their views on that report, and as it would be impossible to discuss it in detail this afternoon, I move that a special meeting of the Board be called to discuss the report and pass whatever resolutions we consider necessary, either recommending that it be adopted in toto or in part. Also I would ask you, Sir, that you obtain from the Government permission to discuss, at the same time, the reply which has been made to that report by the Colonial Secretary, because it sets out alternative schemes to those recommended by the Commission. I am rather surprised that his minute has not been sent, because in reading it I came across something that I did not understand, and on writing to the Government about it found it was a misprint, so that it has gone to the public under a misapprehension. As the reply I have received from the Government alludes to what the Board may do under the circumstances, I would ask that I might be allowed to read it if it is in order.

The PRESIDENT—It is not in order.

Mr. HOOPER—Then under those circumstances I would ask you to call a special meeting to consider this report. If you cannot see your way to do that, under section 13 of the Ordinance it is in the power of any three members to call a special meeting.

The CAPTAIN SUPERINTENDENT OF POLICE—Does the Government notify us to say anything on the report?

The PRESIDENT—No.

Mr. HOOPER—They wouldn't have sent it unless they wanted us to comment on it.

Mr. BADELEY—Then it is between the Commission and the Government really?

The PRESIDENT—Yes.

Mr. HOOPER—Is this to be discussed?

The PRESIDENT—It is quite within the option of the Board. Personally, I don't see how the Board can discuss a report which has been prepared by the unofficial members of the Board.

Mr. HOOPER—Not entirely, one unofficial member was not on the Commission.

Mr. HEWETT—I think you miss the point of Mr. Hooper's remark. The report was not

prepared by the unofficial members of the Board. The report was prepared by five residents of the community who were appointed by Sir Matthew Nathan as a special commission to inquire into the working of the Sanitary Department of which we are supposed to have some control. Mr. Hooper's motion is that it is advisable to discuss this report. It is not a report from the unofficial members of the Board. It is the report of the Commission appointed by the Governor.

The PRESIDENT—If any member has anything to say on the report, I think, it had better be said this afternoon.

Mr. HOOPER—No. It will take three or four hours for me to say what I have to say on this report. It is hardly fair to the other, but if you ask me, I am prepared to do it.

Mr. HUMPHREYS—I think the Government in its letter to Mr. Hooper referred to the matter indicating that the Board ought to take some notice of it. It is not a matter to be gone into at this meeting.

The PRESIDENT read the letter from the Government accompanying the report which presumed that members have been furnished with copies. He added that there was no request that members of the Board should give their views. If the Government wished those they would have asked for them. It seems to be a matter entirely between the Government and the Commission.

Mr. HEWETT—I beg your pardon. If the majority of the Board wish to discuss it, it is certainly within our power to discuss it without any request from the Government. I am prepared to discuss it, but not this afternoon, either here or elsewhere.

The PRESIDENT made some remark which was not audible.

Mr. HEWETT—I am not prepared to accept your ruling, because we have not been definitely asked by the Government.

The REGISTRAR-GENERAL—I think if any member wishes the report to be discussed it is quite within the province of the Board to discuss it. I don't think it should be refused. I think a special meeting ought to be called.

The PRESIDENT—I don't see myself any good can come from discussing the report, but if it is the wish of members that a meeting should be called to discuss it, and they intimate to me accordingly, I will arrange for a meeting to be held. I must, however, protest against the way in which the inspectors and servants of the Department—

Mr. HEWETT—I beg your pardon. You are discussing the report.

The PRESIDENT—I am in order to make remarks. The subject is before us. I have stated I was prepared to discuss it. Proceeding, he said—I must protest against the way in which the inspectors and servants of the department have been branded as in the latter parts of paragraph 398, where the report states "no man is apparently too poor to be exploited, and there is no form of extortion, however mean and contemptible, to which the inspectors and servants of the Sanitary Department will not stoop." It is much to be regretted that some of the inspectors have so demeaned themselves as to accept bribes, but that the whole staff should be stigmatised in this way is most unjust. The number of Sanitary Inspectors is 35. Of these five were found guilty of corrupt practices and were dismissed, while one was transferred to another department. The cases of eight others were inquired into, and the commissioners reported that, in their opinion, the charges had not been proved.

Mr. HOOPER—You have no right to say that, Sir.

The PRESIDENT—I have seen it in the report.

Mr. HOOPER—If you can refer me to that in this report I shall be much obliged.

The PRESIDENT—No charges were made against the remainder.

Mr. HOOPER—Can you refer me to the report to substantiate your statement?

The PRESIDENT—No.

Mr. HOOPER—You are now using confidential information which the Government have precluded the Commission from using in order to justify them. You ought not to be placed in a better position than ourselves. If you had it from the Executive Council in which you are bound to secrecy then it is a matter

outside the Board of which we can take no notice, but I fail to find the information in this report.

The **PRESIDENT**—I am sure that there are many of the officers and servants who are straightforward and trustworthy men, and I have much pleasure in bearing testimony to this. With regard to the acrimonious attack on myself, I do not intend to reply to it here. My defence has been addressed to another quarter. That is all I wish to say at present.

Mr. **HEWITT**—I do not propose to go into personalities but, as chairman of the late Commission, I will say that if you read the report of the Commission with an impartial mind you will see we have not stigmatised all the inspectors and the servants of the Board as corrupt. We have most emphatically stated—I may say we have proved to the satisfaction of the community—that bribery and corruption has been rampant throughout the Department. There were many whom we could not bring to book and the report pointed out that there were a large number of cases into which we were prevented by time from inquiring. We have honestly and fearlessly stated exactly what we are prepared to prove from the evidence brought before us, and on behalf of the Commission I object to the statement made by you that we have been unduly severe on the Department. We are not. We are prepared to endorse all that you have said with regard to the honest, able, and fully efficient servants in the Department, but at the same time we have to assert that bribery and corruption exist to a scandalous extent in that Department. We can also endorse what H.E. the Acting Governor has written, but we don't—

The **PRESIDENT**—What I object to is the sweeping statements.

Mr. **HEWITT**—The sweeping statements were justified by the evidence before us. The Commission here and elsewhere are prepared to stand by every word in this report.

After a silence,

Mr. **HOOPER** asked the President if a special meeting was to be called to discuss the report.

The **PRESIDENT** replied that a special meeting would be called if he received the usual intimation from three members.

Mr. **HOOPER**—You are not prepared to call the meeting yourself?

Mr. **HOOPER** then read the letter he wrote to the Government and the reply received thereto.

Letter from Mr. A. Shelton Hooper to the Colonial Secretary, dated May 25th:—

Sir.—In the minute by the late Colonial Secretary to His Excellency Sir Matthew Nathan on the report of the Commission to enquire into the working of the Public Health and Buildings Ordinance, etc., under the heading of 'New Scheme' Section 16 he says.—'Instead of a glorified Secretary I would introduce, as soon as opportunity offers to do so economically, a working Head of the Department who can devote the whole of his time to the Department. He should be nominated by the Governor to be Chairman of the Board, the constitution of which might otherwise be as suggested by the Commissioners, viz.:—Four official members and six unofficials including the Principal Civil Medical Officers. As there appears to be some doubt as to the correct meaning of it, would you kindly inform me whether it is proposed to increase the number of members of the Board from ten to eleven, or whether it is proposed for the Principal Civil Medical Officer to take the place of one of the official or unofficial members of the present Board.

I have etc."

Reply dated May 27th:—

"Sir,—Referring to your letter of the 25th inst. on the subject of His Excellency Mr. May's minute regarding the proposed constitution of the Sanitary Board, I am directed to state that the words Principal Civil Medical Officers are a misprint for the words Principal Medical Officer and that the suggestion is that the Board should consist of eleven members. I am to add that if it is considered by the Board that the Principal Medical Officer should be regarded as an official member His Excellency sees no objection to the reduction of the number of official members to three in place of four, in which event the Board would consist of ten members.—I am, etc."

SECTION 175 AGAIN.

A reply from the Government relative to the modifications of section 175 of the Public Health and Buildings Ordinance of 1903 in respect of Nos. 191 to 231 Station Street North, Mongkoktsui, was submitted as follows:—Sir, In reply to your letter of the 3rd instant I am directed to state for the information of the Sanitary Board that an inspection of the premises Nos. 191 to 231 Station Street North, Mongkoktsui, showed that they are of a very objectionable type, having no ventilation or light in the rear, except from the kitchen door which is owing to the smoke of cooking usually kept shut. The matter is, therefore, referred back to the Board for consideration of the not unusual modification permitting half verandah and half kitchen.

It was agreed that the Board should adhere to its former resolution.

Another Government reply was received relative to a modification of the requirements of the same section with respect to Nos. 112, Wing Lok Street and 231, Des Voeux Road Central. The Colonial Secretary stated that the recommendations submitted in the Board's letter of April 4th had been approved by the Governor in Council.

Consideration deferred.

NEW MARKET AT SHANKIWAN.

A letter from the Director of Public Works stated "I beg to forward for submission to the Sanitary Board a plan showing accommodation proposed to be provided in the new market for the Western portion of Shaukiwan village. I also forward a block plan showing the proposed site of the market itself on the north side of the road and immediately beyond the lots recently purchased by Messrs. Butterfield and Swire for the erection of workmen's dwellings. The site is about three quarters of a mile distant from the existing market at Shaukiwan East, but this distance will probably be considerably diminished by the reclamation of a bay round which the road runs. The construction of the market will be somewhat similar to those at Tai Koktsui. Quarters will be provided for a caretaker.

The plan is to be considered.

A SUGGESTION.

An application was read for a modification of the requirements of section 181 of the Public Health and Buildings Ordinance 1903 in respect of No. 58, Queen's Road West.

Arising therefrom it was resolved at the last meeting of the Board to recommend the Governor-in-Council to make an amendment in section 180.

The Secretary minuted—It has been laid down in No. 9628, C.S.O. that there is no power to modify the requirements of section 180 (1) (b). The difficulty might be overcome by considering the modification of section 180 (1) (b) as a modification of section 180 (1) but this is, I submit, an unsatisfactory mode of procedure and I beg to suggest that the Board recommend that the sub-sections of 189 (1) be re-arranged and sub-section (a) be placed after sub-section eight, and thus empower the Governor in Council to grant modifications (b), (c), (d), (e), (f), (g), (h). The Board might also consider the advisability of recommending that sub-section (a) be amended by inserting the words "or except from". As the section now stands the Board can grant an exemption from the provisions of a scavenging lane but the Governor-in-Council cannot grant an exemption from the provision of an open space or any other requirements of the section.

Members will consider the matter.

SANITARY STORES.

The Colonial Secretary forwarded a letter with regard to the control of stores. Mr. E. W. Dawson, Sanitary Inspector, is to be appointed storekeeper, assisted by two Chinese stationed at Beaconsfield and the Disinfecting Station respectively.

The following regulations are to be put in force at an early date:—Clothing shall be issued at stated periods during the year, except in the case of officers returning from leave, officers joining, etc., when, as far as possible, part worn clothing only should be issued for use during such time, as may be necessary, pending the regular issue. That articles of clothing required for departmental use shall after the report of the Board of Survey be written off the books and taken on again as rags. The storekeeper

shall sign a receipt for property returned to the store by men leaving the department. The value of all articles not accounted for shall be entered on the back of the receipt by the storekeeper who shall notify the secretariat; and the value of such articles shall be deducted from the pay due to such officer or servant. The whole of the stores in charge of the Sanitary department shall be kept in the godowns at Beaconsfield or at the store house at the Disinfecting Station, Caine Lane, or wherever specially authorised by the Governor, and shall be marked with the letters "S. D." before being taken in charge by the storekeeper. Heavy stores, such as coal, wood, etc., will be delivered at the place where they are required, but they will not be taken in charge until their delivery has been certified to as correct by the storekeeper. Leather, etc., required for the making of coolies' boots will be taken in charge by the Gaol, and on the conversion of the same into boots, etc., they will be taken in charge by the Sanitary Department. The storekeeper shall be held responsible for the stores placed in his charge, and on no account shall the storekeeper receive or issue any stores without the production of the proper voucher. The storekeeper shall keep a book in which he shall enter day by day all stores received or issued. When articles are received from the Crown Agents the invoice shall be carefully examined and checked with the actual receipts by two responsible officers of the department, and the condition of the stores shall be returned for the signature of the Principal Civil Medical Officer and the Colonial Secretary. For articles purchased locally an order book shall be kept. All orders shall be numbered consecutively and all orders shall be duly signed by a responsible officer and the counterfoils examined from time to time by the Principal Civil Medical Officer and initialled by him. No articles shall be written off the stock books as unserviceable except with the concurrence of the Board of Survey and with the approval of the Governor. At the end of every year the stock books shall be balanced. The stock taking shall be made every year, and as far as practicable, by independent officers not responsible for stores. The results shall be forwarded from the Colonial Treasurer to the local department at the conclusion of such stock-taking. On no account shall any erasure be made in the books or vouchers, no story alterations must be initialled by the officer making them.

MODIFICATION WANTED.

Messrs. LEIGH and ORANGE applied for a modification of section 188 with respect to No. 153, Des Voeux Road. Dr. Clark minuted that he failed to see any necessity for the extra kitchen. The house was used as a preserved fruit store and there was a kitchen on each floor. He recommended refusal of the application.

Mr. A. SHELTON HOOPER failed to see, from a sanitary point of view, what objection there could be to granting the application.

The matter will be considered.

MORTALITY STATISTICS.

The mortality statistics for the week ending 27th April 1907 show that the death rate in the British and foreign community was 16.4 per thousand compared with 24.9 in the corresponding week of last year, and that the death rate for the whole Colony was 20.2 per thousand compared with 13.5 in the corresponding week of last year.

RAT RETURN.

The rat return for the year 1906 showed that in Hongkong and Kowloon there were 30,701 rats killed, and of these 679 were found to be infected.

The *Strait Times* of May 17th says:—We congratulate the Commission on the boldness of its report, and we hope it has been able to suggest a means of checking a repetition of the crimes it has investigated. We fear Hongkong is not the only place where a thorough investigation of the service is required, and similar investigations would reveal the fact that the accepting of illegal considerations is not confined to subordinates only. We can understand the reluctance that prevails to stir up the muddy waters of corruption, but it is well to know that the self-righteous finger of scorn cannot be pointed at Hongkong.

SUPREME COURT.

Monday, May 27th.

IN ORIGINAL JURISDICTION.

BEFORE THE CHIEF JUSTICE
(SIR F. PIGGOTT).

A DISPUTED MORTGAGE.

An application was heard to set aside a deed of mortgage. The parties were Long Kee of the firm of Messrs. Fook Wo Chong, merchants carrying on business at 36, Wing Lok Street, and Ng Wai, merchant, carrying on business in Hongkong. The Hon. Mr. E. Pollock, K.C., and Mr. H.G. A. throp (instructed by Mr. A. G. Jackson of Messrs. Johnson Stokes and Master) appeared for the plaintiff, and Mr. W. Slade (instructed by Mr. G. K. Hall Brutton) represented the defendant.

The statement of claim showed that plaintiff purchased certain leasehold properties in Hongkong from Kok Kum Yuk for \$11,000, but under an alleged indenture of mortgage purporting to have been made between the plaintiff and the defendant on or about 6th June 1905, the defendant claimed to be the mortgagee of the said premises. Plaintiff denied having signed or executed the alleged indenture of mortgage, or having handed the title deeds relating to the premises to the defendant, and he, therefore, claimed (1) a declaration that an indenture of mortgage, dated 6th June 1905 and alleged to have been made between the plaintiff as mortgagor and the defendant as mortgagee is null and void; (2) Delivery up and cancellation of the said indenture of mortgage; (3) Cancellation of the registration of the said indenture of mortgage in the Land Office; (4) Delivery up of all title deeds and documents relating to the said properties which may be in the possession or power, or under the control of the defendant; and (5) Costs and further relief.

Defendant did not admit plaintiff's claim, and averred that on 6th June 1905, a mortgage of the premises enumerated was executed in his favour by one representing himself to be Long Bee and to be the registered owner of the property. Upon the execution of that mortgage the title deeds relating to the property were handed to him. Defendant further asserted that if the mortgage was not executed by the plaintiff it was executed by some one acting on his instructions. The \$10,000 advanced by the defendant on the security of this mortgage was paid to the plaintiff or applied to his use on his instructions and the interest on the mortgage was paid from the date thereof to 26th April 1906 by plaintiff or by his instructions. On 23rd July 1906, plaintiff's tenants the Ko Kee firm received a notice from Messrs. Brutton and Hatt demanding the repayment of \$10,000 with all interest due thereon on the 25th August in default of which the defendant would proceed to sell the property in pursuance of the powers vested in him by the deed of mortgage. On the 21st August 1906, the plaintiff's solicitors sent a communication to the defendant solicitors denying that plaintiff had executed the said indenture of mortgage.

The defendant filed a counter-claim for \$10,000 and interest.

Evidence was called, and the case was adjourned.

Tuesday 28th, May.

IN SUMMARY JURISDICTION.

BEFORE MR. A. G. WISE (PUISNE JUDGE).

A CAPTAIN'S DISMISSAL.

The action in which Captain R. Morgan sued the owners of the s.s. *Shum Lee* for \$1,000 for wrongful dismissal, was resumed. Mr. C. F. Dixon, (of Messrs. Hastings and Hastings), appeared for the plaintiff, and Sir Henry Berkeley, K.C., instructed by Mr. R. A. Harding, appeared for the defendants.

The case for the plaintiff having concluded, Sir Henry Berkeley stated that his Honour would observe from the pleadings that defendants admitted having dismissed the plaintiff from their employment before the term for which they had engaged him. They justified that action for the reasons set forth in the pleadings.

His Honour—Did he ever sign off?

Sir Henry—Yes.

Evidence was then called.

The director and secretary of the Sze Yap S. N. Co., Ltd., stated that the plaintiff was engaged on 28th December last, and dismissed on 9th April for general misconduct. He was "always drunk" and did not navigate the ship properly. One of the objections against him was that he was "teasing females" on board. With no answer gave the captain consent to carry the "obnoxious female" on the ship. On 24th February he sent a message to the captain by Lo Lau Cheung with reference to that woman, and a few days later he told the captain himself that he did not like his taking that woman on board, but if he wished to take her to Kongmoon he should write to witness for permission. He never gave permission.

You have seen the captain drunk?—Yes, I saw him the worse of liquor on two occasions.

Tell us about them?—The first was in March. And the second?—On 4th April. Tell us what you saw?—I saw the plaintiff in the saloon of the *Shum Lee* after six o'clock.

What time was the ship to sail?—Seven o'clock.

Was he in the saloon?—Yes, I spoke to him. I said "Hallo captain" and he replied "Yes." His woman came out of the cabin. The captain was very drunk.

You are sure he was drunk?—Yes.

On the return of the steamer on the 6th, you had a complaint made to you as to what had occurred on the voyage?—Yes.

In consequence of that did you call a meeting of directors?—Yes.

What was decided to be done?—They decided to dismiss the captain.

The plaintiff went to Kongmoon on the 7th, and on his return did you give him notice of dismissal?—Yes, I sent him a letter.

Did you dismiss any of the other officers?—Yes, the chief mate.

For the same reason?—Yes.

Drunkenness?—Yes.

The same morning he came to your office?—Yes. I paid him \$61.66, his wages.

What passed between you?—He signed the receipt, and shook hands.

At that time he did not protest against being dismissed?—He said nothing at all.

Cross-examined—Was the only indication that the captain was drunk the fact that his eyes were red and there was wine on the table?—Yes, and he did not speak clearly.

If he was so drunk how was it you allowed him to sail within an hour in charge of the *Shum Lee*?—I had no power to stop him.

He was capable of controlling the steamer?—I could not tell.

The chief officer was not on board?—No.

In spite of that you allowed the captain to take the steamer from the wharf?—I came at 7 o'clock and saw the chief officer was there.

Did you tell the captain he was drunk?—Yes, I told him he was very drunk. He said no, and went away.

After other evidence, his Honour gave judgment for defendants with costs.

Wednesday, May 29th.

IN ORIGINAL JURISDICTION.

BEFORE THE CHIEF JUSTICE (SIR
FRANCIS PIGGOTT).

AN INDEMNITY CLAIM.

Judgment was delivered in the action brought by Lam Sin Shang and She Wai Chung against Yik Tong to recover \$1,581.94 being money paid by plaintiffs as sureties for defendant on 5th May, 1905, on a promissory note dated 5th August, 1904, and made by the plaintiffs and defendant and on Ho Li Cho, in favour of the International Banking Corporation, and as to \$741.60, money paid, and in the alternative Lam Sin Chang claims the sum of \$13,581.94 under a deed of indemnity, dated 22nd September 1905, made between Lam Sin Shang and the defendant.

Mr. M. W. Slade (instructed by Mr. Wilkin son of Messrs. Wilkinson and Grist) appeared for plaintiffs, and Hon. Mr. H. E. Pollock, K.C., instructed by Mr. Dixon, of Messrs. Hastings and Hastings, appeared for the Defendant.

His Honour said:—

In this case O Yik Tong, the defendant, was security for Ho Li Cho, the compradore of the Chinese American Commercial Co., and it is admitted on the pleadings that he requested Lam Sin Shang, the plaintiff, to join in the securityship, exonerating a deed of indemnity against all losses and charges which he might incur by becoming surety. The first question which is raised on the pleadings is as to the nature of the transaction which took place between the Commercial Company, the International Bank, and Ho Li Cho which led up to the signing of the promissory notes around which this action turns, and compelled Ho Li Cho to come to his sureties a second time for assistance. The evidence is clear that the terms of the agreement which was come to were terms of settlement between the moribund company and their compradore of all questions outstanding between them: on the part of the Company in respect of claims which they would certainly have made, rightly or wrongly, against their compradore in respect of a quantity of goods which for one reason or another the Chinese who had ordered them would not take up: and on the part of the compradore, in respect of a claim he had made for wrongful termination of his contract. This agreement, being the winding up of Ho Li Cho's compradoreship, was, together with all transactions material to bringing about the agreement, part of the compradore's business, and, if occasion arose, came within the contract of suretyship, and therefore also within the contract of indemnity between the plaintiff and defendant. The nature of the agreement was that Ho Li Cho should take over the goods for a certain sum, payable in three instalments, represented by three promissory notes at three, six and nine months, for about \$14,000. A fresh security was required by the bank to guarantee the due payment of the promissory notes: and the bank as agents for the Company were to hand over the dock warrants which they held on behalf of the company, on being satisfied with the security offered. Not till this agreement was put through satisfactorily can the compradoreship, or the security, or the indemnity, be said to have come to an end: nor could the plaintiff get back the deeds which he had deposited. Anything, therefore, in the nature of a further agreement made with the same end in view, the termination of the compradoreship, must be in continuation of the first agreement, so long as the original relations between the parties were maintained. The mere signing of the promissory notes which were essential to effect the object which all parties had in view did not alter these relations; they took the place of the compradore's security, but were covered by the indemnity; and therefore any liability which fell on the plaintiff by his being called upon to pay the promissory notes must be repaid to him by the defendant. But it was said that the position of the parties had occurred in connection with the signing of the promissory notes. Undoubtedly negotiations went on between all parties concerned and some others with a view to forming a partnership to buy these goods and start a business with them. If this had been carried through, and the plaintiff had joined the new firm, then undoubtedly that would have put an end to the indemnity. But it fell through, and I cannot incorporate into what actually took place any of the ideas which were appropriate to what it was hoped by some would take place. Neither the firm nor any of the cognate ideas connected with it came into being. Does the introduction of the additional security of the Cheung Yu Hong to the promissory notes make any difference? I think not *per se*, as it was part of the arrangement come to for terminating the compradoreship of Ho Li Cho. But it was strenuously contended that the Cheung Yu Hong were something more than parties to the transaction, as I have hitherto described it: that they were to have the warrants as security, which were only to be released as Ho Li Cho could redeem them by proceeds of the goods. If it had been proved satisfactorily, I think this might possibly have had the same effect as the formation of the projected firm. But the facts are against it. The bank certainly was no

party to it, or they would never have handed the warrants over to Ho Li Cho; and this of itself negatives the existence of such an arrangement. It is certainly curious that Ho Li Cho should have handed the warrants over to Wai Cheung the managing partner of the Cheung Yu, merely for safe custody. But it would have been still more curious, if they had been handed over to him as securities, for him to have treated them as he in fact did. I am therefore of opinion that this contention fails; that the plaintiff is entitled to judgment on his claim and also on the counter claim which is based on this contention, with costs.

IN SUMMARY JURISDICTION.

BEFORE MR. A. G. WISE (PUISNE JUDGE).

AN UNFORMED COMPANY.

Leung Yui Tong, of 23, Connaught Road Central, trader, sued Cheung Shan Shan and Yau Tsze Tung, of 32, Wing Lok Street, traders, for the recovery of \$500 money paid for shares in a company to be formed by defendants which was not formed. Mr. F. J. Grist, of Messrs. Wilkinson and Grist, appeared for plaintiff, while Mr. F. X. d'Almada e Castro represented the second defendant.

It appeared that defendants claimed to be the promoters of a company to be called the Hion Tai Insurance Exchange and Loan Company, and they received from the plaintiff the sum of \$500 in respect of 50 shares, which, however, were never issued. Neither was the company registered nor the money refunded.

Plaintiff said that the defendant promised to return the money if the company was not formed within six months. He was to have been employed in the firm.

His Honour—Where is the defendant?

Mr. d'Almada—He is here.

His Honour—He has had a sprained ankle for some time and would not have been here if I had not made him.

Judgment was entered for plaintiff with costs.

CLAIM FOR BROKERAGE

Bernard Albert, broker, of 8, Des Vœux Road Central, claimed from Lau Kam Ching and Dang Yeng Yung, of 25, Des Vœux Road Central, executors of the will of Dang Chee, deceased, to recover the sum of \$600 being the amount of brokerage on a loan effected by plaintiff for defendants as executors. Mr. d'Almada e Castro appeared for the plaintiff and Mr. E. J. Grist appeared for the defendants.

Mr. d'Almada explained that the property was originally mortgaged to a party for \$80,000, the mortgage being subsequently transferred to Yu Yueng, and the original mortgagee became part owner of the property. Yu Yueng gave notice calling in the \$80,000, and defendants, as executors of Dang Chee, obtained \$60,000 on mortgage to enable them to pay off this \$80,000 and sundry expenses. Plaintiff, hearing of this, called upon the defendants and asked whether the defendants would give him instructions to secure this \$60,000. They authorised him to do so, and he went to the expense of having the property valued, but for some reason the mortgage fell through. Plaintiff, however, had done all that was required of him. He brought the parties together and arranged the loan. His duties finished there, and he was entitled to his brokerage.

Mr. Grist said that this did not cover all the facts. The property did not belong to the defendants *in toto*. It belonged half to the defendants and half to the Tang Hok Po who had joined with him a man named Ho Nam, who was his agent and who also acted for defendants as well as for plaintiff.

His Honour—As a matter of fact Ho Nam was instructed by both parties?

Mr. Grist—Yes. That being so, they must be joined as partners. We don't want to go into the facts until this man Ho Nam, who signed the note of authority with one of the defendants, is joined as defendant.

His Honour—Where is Ho Nam?

Mr. Grist—He is not here.

Mr. d'Almada—He is bankrupt.

His Honour—Oh, You can't make him a party. Where is the official trustee?

Mr. Grist—The proper party to join would be the joint owner. The defendants are joint owners of the property it was proposed to mortgage, or tenants in common.

Mr. d'Almada—I cannot prove that Tang Hok Po gave authority to this man.

Mr. Grist—Some person joined with my clients in employing plaintiff as broker. Therefore that person must be joined in these proceedings.

His Honour—I agree with you. My difficulty is who is to join. I don't mind joining anyone.

Mr. d'Almada pointed out that if it turned out that Tang Hok Po never authorised this loan he (Mr. d'Almada) would have to pay the costs.

Mr. Grist—What about me then? (Laughter.) Supposing that were so I should only be liable for half the judgment.

Finally the case was adjourned in order that another party should be joined, and if the parties could not come to a settlement out of court, his Honour would then decide.

Tuesday, 3rd May.

IN SUMMARY JURISDICTION.

BEFORE MR. A. G. WISE (PUISNE JUDGE).

R. A. O. B. LIQUIDATION.

An interesting action was heard in which the plaintiffs were Messrs. Price and Co., wine merchants, and the defendants J. H. Oxberry, Young Hee and J. T. Cotton. The plaintiffs sued for \$330.5 balance due on goods sold and delivered from July, 15th 1906, to October 9th, 1906. Mr. P. M. Hodgson, from the office of Messrs. Ewans and Harston, appeared for plaintiffs, Mr. F. X. d'Almada appeared for the first defendant, Mr. Otto Kong Sing for the second, and Mr. R. A. Harding for the third.

His Honour (to Mr. Harding)—You are the Buffalo man?

Mr. Hodgson—They are all Buffaloes. (Laughter)

Mr. Harding—I am for Cotton.

Mr. Hodgson explained that the defendants were sued on their own behalf and on behalf of the members of the Royal Antediluvian Order of Buffaloes. The original bill amounted to \$53.33, but this had been reduced by small payments and allowance for goods returned. During the period from July 1905 to October 1906 the defendants were members of the club and office-bearers. The Club became defunct on 9th October, and a meeting of creditors was held.

His Honour—Is it in liquidation?

Mr. Otto Kong Sing—It is in liquidation so far as an unregistered club can be. It is in bankruptcy.

His Honour—I can see your defence then.

An assistant from Messrs. Price and Company stated that the goods were supplied on cheques signed by members of the club, but in October of last year the office-bearers issued a circular stating that owing to the unsatisfactory state of the Club's affairs these should be placed before the creditors. A meeting of creditors was called, at which the Chairman stated that the assets were slightly under the liabilities, about \$30 or \$40, and the question was whether the matter should be allowed to stand over for some time or whether the matter should be put in the hands of the creditors. The creditors declined to let the matter stand over and after discussion two office-bearers of the club were appointed to collect moneys due and pay the debts. Messrs. Cotton and Goldenberg were appointed, and it was stated by the Chairman that the club would see that the creditors were paid.

Cross-examined by Mr. d'Almada, Mr. Oxberry said he would be responsible for the deficiency. By Mr. Otto Kong Sing—I was told that Young Hee ceased to be treasurer of the club at the end of 1905. By Mr. Harding—I was a member of the club for a few months.

Charles Bond, manager of the R. E. Institute, said he became a member of the R. A. O. B. in September or October, 1905 at which time the treasurer was Mr. Young Hee. Witness attended the meeting of creditors and corroborated what the previous witness said took place then. The Chairman stated on that occasion that the committee would see that none of the creditors went short of their money.

His Honour—Were you on the committee?

Witness—Yes, at that time.

His Honour—Were you willing to put your hand in your pocket?

Witness—I was a creditor. (Laughter.)

This concluded the case for the plaintiffs.

Mr. Oxberry went into the witness box and denied ever having pledged his personal credit for the supply of liquors to the club. He was present at the meeting of creditors.

Cross-examined—At one time I was president of the club.

Re-examined—I paid for the wines I had at the club. I am not indebted to the club.

Mr. Young Hee denied having ordered goods from plaintiffs for the club after July, 1905. He was treasurer of the club up to the end of 1905. He prepared a statement showing that the assets of the club exceeded the liabilities by several hundred dollars.

Mr. Cotton said he took over treasurership from the previous witness and received 16 cents (laughter) from him as representing the balance in hand. When the club became defunct the property was sold by auction, but of the proceeds about \$20 had to be deducted for rent, so that he actually received about \$57, out of which he paid \$47 to the Robinson Company for the piano.

His Honour—What about the \$9?

Witness—I have it.

His Honour—The creditors may want that.

Witness—They can have it.

His Honour—You spent all you realised with the exception of some \$9?

Witness—Yes.

Cross-examined—I paid for all the stuff I ordered.

Mr. d'Almada argued that his client never ordered any wines and never pledged his credit. The persons appointed at the meeting of creditors to liquidate the affairs of the club were the nominees of the creditors.

Messrs. Otto Kong Sing and Harding addressed the court, and Mr. Hodgson having replied, his Honour gave judgment for defendants with costs.

LICENSING COURT.

A Meeting of His Majesty's Police Magistrates and Justices of the Peace was held at the Magistracy on the 27th May for the purpose of considering an application from Louis Comar for permission to remove the business now carried on by him under an adjunct licence, on premises No. 65, Des Vœux Road Central under the sign of the Cosmopolitan Hotel, to premises No. 39, Queen's Road Central. Mr. F. A. Hazland presided, other Justices present being Hon. Mr. F. J. Badesley, Captain Lyons Messrs. R. H. Craig, P. P. J. Wodhouse, A. Shelton Hooper, W. L. Carter and W. Bowen Rowlands.

Mr. P. W. Goldring (of Messrs. Goldring and Barlow) appeared for the applicant, Mr. E. J. Grist (of Messrs. Wilkinson and Grist) appeared on behalf of Mrs. Oiver, of the New Travellers' Hotel, to oppose the application, also Mr. C. F. Dixon (of Messrs. Hastings and Hastings) who represented a number of Chinese and Indian shopkeepers in the vicinity.

Mr. Goldring stated that the primary object of Mr. Comar wishing to remove from his present premises was that his wife had been exceedingly ill, and that Dr. Marriott had recommended that she should not stay where she was at present. After a considerable amount of thought and care, Mr. Comar selected premises which were not in any way likely to interfere, as far as he knew, with any people in competition with him. He asked the Justices to remember that the applicant did not hold a publican's licence, therefore he could not come in contact or competition with people who held publicans' licences. Mr. Comar had every intention of endeavouring to make a certain amount of competition with Weismann and Co. He had secured the chef from the *Fuerst Bismarck*, and intended to open up premises of a much better class than those which he had at present. Mr. Goldring asked the Justices to bear in mind that any opposition on the part of publicans should not be considered at all, but only people carrying on business of a similar nature.

Mr. Hazland—Where is 32, Queen's Road Central?

Mr. Goldring—Two doors from Look Hing's. Proceeding, Mr. Goldring said the applicant held a licence for the sale of meals, with which he had the opportunity of selling liquor as an adjunct to meal. The application on the part of Mrs. Oliver, who recently nearly became bankrupt because she could not make her business pay, should not be considered and also the opposition on the part of the Chinese shopkeepers was not worthy of consideration. The applicant was not entering into competition with them, or doing anything which could possibly affect their businesses. A restaurant in the neighbourhood like Weissmann's was an attraction, and would take people further along the road where they could stop and have tea, a chop, or anything they liked. He was informed that the prime mover in this opposition was the landlord of the premises from which Mr. Comar was going to remove.

Mr. Grist on behalf of his client, asked the Justices not to grant the application. Mrs. Oliver had been carrying on business for some time in her present premises and had gone to a very great deal of expense in making those premises what they were—a very excellent hotel. To put an adjunct licence immediately opposite would certainly do her a very great injury. She had established her business there, and Mr. Grist submitted, with the idea that no opposition would be forthcoming. His friend alluded to her as semi-bankrupt. It was quite true that she had to file her petition in bankruptcy in consequence of excessive rent, but she had made an arrangement with the landlord, and thought she would be able to carry on successfully if another hotel was not put near her. A woman who was not well, moving about a hundred yards away from where she was at present, would not become any better in health.

Mr. Dixon, in presenting a petition signed by twenty four different shopkeepers, told the Justices the only point they should consider in an application of this kind was the requirements of the neighbourhood. They should consider whether such a licence was necessary. He submitted that it was entirely unnecessary in this case. At the present time, in the immediate neighbourhood and within three hundred yards of the proposed new premises, there were three licensed houses, the Criterion, the Hongkong and the Colonial Hotels. He submitted that a neighbourhood consisting very largely of Chinese could not require more than three public houses. Mr. Dixon then read the petition, in which it was stated that this class of public house created an unendurable noise both day and night. Drunkards would be seen in the middle of the street, and people walking on the road would keep away from that quarter. Ladies and girls wishing to buy articles would be prevented from going forth, and in consequence the hotel or restaurant would be an obstruction to business.

The Justices discussed the application in camera, and when the Court was again opened Mr. Hazeland announced that they had unanimously agreed to refuse the application on the ground of the locality, not because there was anything against the applicant.

THE ROYAL SANITARY INSTITUTE.

HONGKONG BRANCH.

The Examination in Practical Sanitary Science and for Sanitary Inspectors took place on the 27th and 29th at the Sanitary Institute Lecture Room, with the following result:

PRACTICAL SANITARY SCIENCE EXAMINATION.

The Candidates—3 in number—failed to pass.

SANITARY INSPECTORS EXAMINATION.

Successful Candidates:—Thos. Hynes, John Mackay, H. Coombs, H. Williams, W. H. Jones, J. Bullin and R. G. McEwen.

Examiners:—Hon. J. M. Atkinson, P.C.M.O. (Chairman); Hon. W. Chatham, Director of Public Works; Hon. H. E. Pollock, K.C.; Dr. F. W. Clark, M.C.H.; A. H. Ough, A.B.I.B.A., A.M.I.C.E.; R. H. King, B.A. (Dub.), A.M.I.C.E.; Capt. (Shinkwin), A.S.C.; E. Ralphs, M.B.S.I., F.C.S. (Secretary); Alfred Carter, M.B.S.I., M.S.A. (Moderator).

LAUNCH AT KOWLOON.

On the 27th May there was launched from the yard of the Hongkong and Whampoa Dock Company a water boat built to the order of the Union Water Boat Company of Hongkong. The boat which is built entirely of steel, is 100 feet between perpendiculars, 20 feet broad, 9 ft 3 deep, and has a capacity for 225 tons of water. Her mean draft is 8 ft. 3 in., while she is equipped with a water pump which has a capacity of from 75 to 100 tons an hour.

The christening was performed by Mrs. Ritchie. Attending the ceremony were Mesdames Barrett, Skinner, Focken, Unsworth, and Martin, Messrs. R. Mitchell (manager of the Dock Company), A. Ritchie, T. Skinner, D. W. Craddock, Martin, Coughree, Graham (manager of the Kowloon Docks), T. Neave (superintendent), Simmons and C. D. Silas. The *Tai Luk* took the water gracefully to the accompaniment of loud cheers and the firing of crackers, and as she had steam up she was soon ready for business. After the ceremony Mr. Mitchell presented Mrs. Ritchie with a gold bracelet as a memento of the occasion, after which the company adjourned to the reading room and partook of cake and wine.

Mr. Mitchell, in inviting the company to drink "success to the *Tai Luk* and to the Union Water Boat Company," remarked that that was the fifth boat which the Dock Company had built for the Water Boat Company, and he inferred that they must have complied with their requirements at the commencement as the boat put into the water that day was practically identical with the first one. He wished the Water Boat Company success, though he was sorry that the Dock Company had no hope of building other boats on account of the want of opposition. At the same time they were prepared and capable of doing whatever was required, in that direction. Mr. A. Ritchie returned thanks on behalf of his wife for the honour accorded to her that day and also for the handsome bracelet presented by Mr. Mitchell. He congratulated the Dock Company on the manner in which they had carried out the work, and wished them every success.

Mr. Mitchell replied and thanked all present for the interest shown in the Dock Company's affairs. He trusted the Company would maintain its reputation both for the quality and the quantity of the work turned out from their yard. (Applause.)

In 1905 the Dock Company built the first three boats for the Water Boat Company, they launched a fourth last year, and now the fifth has been turned out.

VICTORIA JAIL.

The report of the Superintendent of the prison, for the year 1906, shows that the total number of prisoners received into prison during the year and the corresponding numbers for the year 1905 were 5,799 for 1906 and 6,227 for 1905. There was thus a decrease of 428 on the total number of admissions as compared with the previous year. In consequence of the opening of the Military Prison at the beginning of the year no European Courts-Martial prisoners have been received into this prison during the year under review. The number of prisoners admitted to the prison in 1906 for offences not of a criminal nature was 3,224, and 62 per cent of the total admissions to prison were for non-criminal offences. The following table shows the number of prisoners committed to prison without the option of fines and in default of payment of fines:—

Without option of fine.	In default of payment of fine.			
	Served imprisonment.	Paid full fine.	Paid part fine.	Total.
1,431	2,159	783	706	5,079

There were 81 juveniles admitted into the prison, 33 of whom were sentenced to be whipped in addition to various terms of detention to one month's imprisonment with hard labour. The percentage of convicted prisoners admitted to prison with previous convictions recorded against them was 13.00 as compared with 3.50 for the year 1905; of these I find that four men represent 20 convictions.

The number of convictions from the New Territories was 152 against 169 for the previous year. There were 627 punishments awarded for breaches of prison discipline being an average of 1.21 per prisoner, against 1,029 in the preceding year, and two prisoners were sentenced to be whipped with the birch by the Assistant Superintendent. No escapes or attempt to escape occurred. In the month of May a long sentenced prisoner employed in the shoemakers' shop fatally stabbed a fellow prisoner for which he was subsequently tried and hanged. There were 18 deaths from natural causes, one murder, four executions and two births. Eleven prisoners were released on medical grounds. Hard labour, 1st class, was enforced by means of crank, shot, and stone-carrying. Satisfactory progress has been made in the various industries in the prison during the year. There were 3,497,620 forms printed and issued and 15,672 books bound during the year under review. The rules and regulations for the government of the prisons have been duly carried out. The complete separation of new from old offenders has been observed and the low number of prisoners in custody has rendered possible strict compliance with the rules relating to juveniles, debtors and remand prisoners. The sanitary condition of the prisons is good. The appliances for use in case of fire are sufficient and in good working order. The conduct of the Staff throughout the year has been good.

CORRESPONDENCE.

THE KOREAN EMPEROR.

[TO THE EDITOR OF THE "DAILY PRESS."]

SIR,—In your article to-day (which reads like the unspcakable Brinkley) referring to the action of the Japanese in placing Japanese guards round the Imperial Palace at Seoul, you say that persons antipathetic to the new régime "pointed out with plausibility that the Emperor was virtually a prisoner in his own Palace; but then, *in just the same way*, and with perhaps much less reason, so is the Emperor of Japan or the King of England." The italics are mine. In no controversial spirit, but with a devout desire to gain knowledge, I ask when was the practice first established of preventing the King of England seeing anyone he wished to see or taking a run over to the continent when he felt disposed? Also—excuse my fearful and wonderful thirst for knowledge—when were Korean guards posted round the Palace of the Emperor of Japan at Tokyo, in order to prevent Japanese from gaining access to him?

It would be a pity if the dates of these great historical occurrences were not recorded.

Yours etc.,

PUZZLED.

Hongkong, May 29th, 1907.

The italics used by "Puzzled" strengthen his position, and we fear we did not sufficiently weigh that phrase. By it we meant that the Emperors were prisoners in this way—not that they could not get out—but that their friends could not get in. Let "Puzzled" endeavour to obtain an interview with any monarch he likes, and though his intentions be the friendliest possible, he will soon discover what we meant. The Emperor of Korea was "in the same way" a prisoner before the Japanese took charge, only then his jailers were corrupt Koreans who traded in Royal concessions. It requires strong prejudice against the Japanese to suggest that His Korean Majesty is in worse case now. Two foreigners, a Colonial and a Frenchman, were once watching a procession of carts laden with Japanese ammunition. The carts bumped into holes now and then, but in time the ammunition got there. The two foreigners were so intent on the holes that they overlooked the significance of the fact that in spite of holes the Japanese got there. Our little parable, adapted with friendly acknowledgments, will not puzzle "Puzzled."

According to the native Press at Canton, it is true that an Imperial Edict has been issued reappointing Shum Viceroy of Canton. On Viceroy Shum's arrival, Chou Fu will proceed to Peking to await another appointment.

HONGKONG GENERAL CHAMBER OF COMMERCE.

The annual meeting of the Hongkong General Chamber of Commerce was held in the City Hall on May 29th. Hon. Mr. E. A. Hewett presided and there were also present Hon. Mr. H. Keewick, Messrs. H. E. Tompkins, G. H. Medhurst, J. R. M. Smith, D. R. Law, A. Haupt (committee), A. R. Lowe (Secretary), W. D. Graham, A. G. Gordon, A. S. D. Cousland, W. L. Carter, E. A. Soolemanjee, A. S. Abdolcader, A. Beattie, A. Forbes, S. G. Newall, E. H. Hinds, E. Ormiston, D. W. Craddock, J. Douglas, A. Shelton Hooper, E. Shellim, J. Armstrong and J. M. Beck.

The SECRETARY having read the notice calling the meeting, the minutes of the last meeting were confirmed.

The CHAIRMAN said—Gentlemen, the report and accounts having been in your hands for some days I will, with your permission, take them as read. Before proposing their adoption I will offer a few remarks on those more important points which have engaged the attention of the Committee during the past twelve months. Some of these are what might be described as "hardy annuals" reappearing regularly with great persistency. Unfortunately they do not always show those signs of improvement which we might have expected from their having received still another term of careful attention. However in some directions we are glad to be able to see that very material progress has been made towards a better state of affairs. Chief among these comes the projected railway scheme from Hongkong which we trust will before long link us with the furthestmost parts of the Empire and ultimately direct with Europe. A good start has been made with the construction of the line in British Territory and while we are glad to learn that at last the construction of the extension line to Canton has been definitely arranged, we are also, we believe, justified in hoping that the difficulties which formerly existed as to a satisfactory working agreement between the two sections of the railway from Kowloon Peninsula to Canton will shortly be removed and that before long a definite agreement will be come to between those concerned in these various ventures. We are glad to learn that the loan of £1,500,000 for the construction of the extension of the line to Canton was subscribed several times over on issue in London. As regards Nanning it has, after many years agitation, at last been thrown open to foreign trade and it is satisfactory to know that from the outset the city as well as the foreign settlement will be included in the like free area. Weichow, on the East River should also be added to the list of foreign trading ports as provided for under the terms of the Mackay Treaty. We believe that the opening of these important inland trade centres will benefit Chinese and foreigners alike and we would like to see this policy extended in the interests of all concerned in enlarging the trade of China. The question of currency reform in China has again engaged the attention of the Committee and for a third time in the last four years this Chamber has joined with Shanghai and Tientsin in a joint memorial to the Diplomatic Body on the subject, and we hope that at length some definite steps will be taken to place this most important matter on a sounder basis. I would mention that during the past week a despatch has been sent to the Colonial Secretary asking his Excellency the Officer Administering the Government to bring the matter specially to the notice of His Majesty's Secretary of State for the Colonies. Since drafting this report that has been accomplished. The question of the working of the Crown Agent Office has again been raised by the Ceylon Chamber of Commerce but at the moment the Committee can only confirm the opinion it expressed in 1903; the matter is however one which will be carefully watched and perhaps we may obtain further enlightenment with regard to operations as carried out by the Crown Agents on behalf of the Colony now that we are entering upon the work of railway construction. As matters stand however we do not see any reason for holding other opinions than those already expressed. On a previous occasion I referred to the congested state of the harbour due to the increasing number and length of the vessels

visiting this Port. This overcrowding has in part been relieved by the withdrawal of so many of our larger vessels from the China Squadron and also by an agreement recently arrived at between the late Acting Harbour Master, Lieut. Peckwith, R.N., on behalf of the Colony and the Naval Authorities whereby a readjustment has been made of a portion of the harbour formerly reserved for the use of H. M. vessels. This has resulted in its being possible to relay some of the permanent moorings and by placing them at a greater distance apart has made them available for the largest steamers visiting this harbour. This scheme was inaugurated by our late Harbour Master (Captain Barnes-Lawrence, and we are much indebted to all those concerned in bringing about this improvement in our facilities for berthing large vessels. The long-delayed Colonial Conference has now been held in London and as we learn that the representatives were determined to do good work and appear to have met in a spirit of cordial goodwill and desire to benefit the Empire at large we trust that great good may result from their labours. We await with interest a detailed report of the proceedings. The important question of fiscal reform will always be one of great interest to Hongkong as any change in the existing conditions of affairs must have very direct bearing on the trade of this Colony and as pointed out in my annual address three years ago the matter is one which concerns us very nearly. Any recommendation therefore which may have been made on this subject by the Conference will be carefully considered by the Committee as nothing should be done which is likely to impair the freedom of our Port. Another question which has of late given rise to much discussion is that of the proposed gradual extinction of the opium traffic. To this no one can raise any objection if the proposals of the Chinese Government are honest, and that steps are really to be taken to suppress the cultivation of the plant in their own country as well as to gradually put a stop to the importation of the foreign drug. But it will be necessary to keep a very careful watch to see that while the foreign trade is being decreased the home cultivation is also receiving like treatment and not that under cover of an outcry against the opium trade in general, imported opium is to be abolished for the benefit of the native product which, as we all know, is so largely in the hands of, and brings so much revenue to, the high Provincial Authorities. I would add that the amount of foreign opium is relatively but a very small proportion of the enormous quantity of the drug consumed in China. The opium trade is indeed and has been for a great number of years a most important matter for Hongkong in more ways than one, and many serious questions arise in connection with this proposed gradual extinction of the trade. These questions are many of them of wider import and more general interest than can be fully dealt with by this Chamber and can more fittingly be discussed elsewhere when the moment arrives to consider what effect the proposed suppression of the Trade may have on the Colony at large. Another question which has engaged the attention of the Committee since our last meeting is that of the carrying of Asiatic passengers under the existing Emigration Ordinance as modelled on the Imperial Act. As you are aware this question of Chinese Emigration has recently been again brought prominently forward in connection with possible demand for Chinese labour for Central and Southern America. We feel that in this matter British shipowners should be able under reasonable restrictions, to compete with other owners in what may in time prove to be a very large and valuable branch of our passenger trade. In order to do this it is necessary for the existing regulations to be revised so that contract labour can be carried for voyages of more than 30 days duration, and to countries other than British possessions. We suggested that a proviso should be made that the labour be carried under mutual agreement between the Governments of the country from which the labourers come and that to which they were bound. The matter has been duly represented through H. E. the Governor but we regret to find that up to the present H. M. Government decline to entertain

our proposal. It is the existence of regulations such as this which are now practically obsolete which handicap our shipping in competition [with that of other nationalities in the world's commerce. Another point we have endeavoured to have modified is that 1st and 2nd saloon Asiatic passengers should not be considered as "Emigrants" and thus necessitate a vessel carrying over 20 of such passengers being treated as an Emigrant ship. Here again I regret to say our representations have as yet failed to bring about a modification of an old rule, the absurdity of which as we are now situated is so obvious as to need no comment from me, the excuse put forward by the Government being that in order to deal with this matter the Imperial Merchant Shipping Act must be amended. It is with regret I find I have again to refer to a piratical attack upon a British vessel. The story of the piracy of the *Sainam* accompanied by the murder of an English passenger and the wounding of several others, including the Commander, is of too recent occurrence to require farther reference in detail. The owners, realizing the far reaching and crippling effect which such a heinous crime would have upon trade generally on the waterways of the neighbouring province, very rightly decided to claim not only for actual but for consequential damages. The justice of this claim was fully endorsed by the Committee and finding that H. M. Government had refused to present this claim to the Imperial Government, the Committee represented in the strongest possible manner to the Secretaries of State for the Colonies and for Foreign Affairs the injury which such a policy if persisted in would have upon British trade in China. We succeeded in inducing the Secretary of State for Foreign Affairs to postpone action until our written despatches could be before him but we regret to find that H. M. Government decline to reconsider their decision although we were strongly supported by the London Chamber of Commerce. As we are aware the Imperial and Provincial Authorities are perfectly able to control their people in this direction should they really desire to do so. The question of the suppression of piracy in the Southern provinces has been dealt with over and over again by this Chamber and I can add but little to what has already been said on the subject. The only way by which we can show the Chinese Authorities we are in earnest in our demands that we be allowed to carry on our trade in safety under the terms of our treaties is by demanding full compensation for all losses sustained by British subjects through lawlessness which could be restrained by the native officials were they desirous of doing so. The action now taken by H. M. Government is a direct incentive to further acts of violence and I trust the members of the Chamber will in no unhesitating manner endorse the views of the Committee as expressed in the despatches now before you. (Applause.) I would add that an earnest protest against the decision of the Government in this matter has been recently forwarded to the Secretary of State for Foreign Affairs and the London Chamber of Commerce. The question of piracy naturally directs attention to a question which is of the greatest possible moment to all interested in the overseas trade of our Empire. I refer to the condition of His Majesty's Navy. This is scarcely a fitting place to enter into a discussion on naval matters even were I sufficiently conversant with the subject to criticise the present policy of My Lords of the Admiralty. There is however one point on which I think I may venture to express an opinion. I refer to the present system of concentration which results in practically the whole of the Navy being constantly collected together in large fleets. This policy is no doubt a wise one and must ensure greater efficiency should these fleets be called upon to defend the country, but it does appear to me that local needs are being unduly sacrificed to the one conception. Not only are we not increasing the number of our smaller vessels in the more distant parts of the world where their presence is urgently required, more particularly in the waterways of China, but the White Ensign has almost disappeared from some of the Seas. Throughout the whole of the Pacific only two small

vessels are to be seen, showing the flag which for years has been the symbol of peace and safety for all nationalities trading in those waters. It is quite true that in time of war these small vessels might have to be abandoned, and in peace they cost something in upkeep, but surely against this we have the advantage which must accrue to the service, of having such a training school for young officers who while learning their profession and the waters they navigate will acquire also the great lesson of responsibility and of how to act on their own initiative when suddenly called upon to do so. Men so trained must, we would think, prove a valuable asset in war time and the money so spent on these small vessels would prove a good investment. Added to this their moral effect upon outlying peoples would be of great benefit as symbols of the power they represent in protecting the development of our trade on peaceful lines. Shortly after our last annual meeting we had to deplore the dreadful catastrophe which had befallen upon our sister port on the far side of the Pacific and in view of the very close relations which exist between San Francisco and Hongkong telegraphed our condolence in the name of the community. Since then we have had our own disaster. The terrible storm of the 18th September last will long remain in our memories, and we trust it will always remain as the most devastating one on record in this Colony. I do not wish to enter upon a controversial question so will do no more than express the hope that at least one result of this storm will be an improvement, where it is possible to effect it, in our system of storm warnings. We all much appreciate the kind messages of sympathy which reached us from all nationalities including a message from His Gracious Majesty. Offers of help were generously proffered but it was rightly decided that in such a matter the Colony should stand on its own feet, gratefully declining the assistance so readily and sympathetically tendered. The appeal for funds to help those who suffered loss was most generously responded to in the Colony and once more serves to show the feeling of kindly sympathy and unity existing amongst the numerous nationalities forming our trading community. The Typhoon report and accounts which have so recently been published showing the good work accomplished with the aid of the Relief Fund demonstrate how urgently assistance was needed. This assistance has, we trust, reached all those deserving of it. It is very satisfactory to note that the Government will at the earliest possible date proceed with the construction of that larger refuge for small craft which is so urgently required and for which this Chamber has so often petitioned in the past.

The Chamber of Commerce accounts attached to the report do not call for any special comment. It is however satisfactory to be able to report that since the closing of these accounts for the first time in many years some small payments have been made from the Pinnacle Rock Fund through the Commander of H. M. Surveying Vessel "Waterwitch." We would like to see more use made of this fund, the existence of which is personally brought to the notice of the Naval Authorities when opportunity offers. With regard to the finances of the Chamber generally it is perhaps as well that we should be reminded that while these are in a satisfactory condition, our revenue is hardly stable, as it varies from year to year. The necessity for an ample reserve fund was clearly demonstrated last year when in the one case of the *Saiam* piracy alone, a very considerable expenditure was incurred in telegrams, despatches amounting in all to some \$900. Before I take my seat I must refer to some of the changes which have taken place since our last meeting. I know the whole Chamber will have endorsed in the most heartfelt manner, the vote of condolence passed by the Committee at the death of our late Harbour Master, Captain Barnes-Lawrence, who carried out his duties with so much ability, winning the esteem and friendship of all brought in contact with him. With regard to changes on the committee, Mr. Siebs has left, temporarily I hope; his post is still vacant. Mr. Gresson who represented Messrs. Jardine Matheson & Co. has gone. Whether he will return or not is doubtful. We are much indebted to these gentlemen for the

services rendered to the Chamber of Commerce. We are very glad indeed to welcome as the successor of Mr. Gresson Mr. Henry Keswick who is the son of a gentleman who for many years took part in the trade of the Empire and for 15 years acted as Chairman of the Hongkong Chamber of Commerce.

We have now further to regret the premature departure of our late Governor Sir Matthew Nathan. In his leaving the Colony various addresses were presented clearly indicating the high esteem in which His Excellency was held by the residents of Hongkong. It is needless here to recapitulate the many evidences we have received of his determination to forward the best interests of the Colony but chief among those which occupied his care was not only the construction of the railway from Kowloon to the frontier but the satisfactory working of this line with its extension, which before many years have passed we hope to see completed to Hankow. The improved sanitation of the Colony, the extension of water supply, educational matters and many other interests all showed the thorough manner in which His Excellency endeavoured to carry out the high expectations we formed on his arrival of successful and exceptionally brilliant rule. I am sure we all deeply regret his departure but rejoice to think that his great ability is to be employed in the interests of our Empire in a still wider field and we trust that for long years to come he may be spared to devote himself to his Country's service.

The CHAIRMAN then moved the adoption of the report and accounts as presented.

Mr. FORBES—Mr. Chairman and Gentlemen, It is my privilege to again congratulate the committee, and thank them for their labours during the past year. The speech of the Chairman has been so complete that there is very little for me to say. With regard to the Railway to Canton it is very satisfactory to know that good progress has been made and that the Loan recently issued in London was a success. We are at present passing through a period of depression and cannot look for much in the way of revival of trade until there is some settlement of the currency question. It is to be hoped that the recent joint memorial of the Chambers of Commerce to Peking will have a good result. As all matters relating to the general health have a bearing on trade, and shipping particularly by reason of Quarantine regulations, we have been much interested in the Report of the Sanitary Commission. We hope the matter will not be allowed to drop but that on the contrary every effort will be made to improve the existing conditions. When we met last year we were hopeful that a start would shortly be made on the Typhoon Anchorage for small craft. A year has passed and the terrible loss of life in the great Typhoon has emphasised still more the urgent necessity of this work. I trust it will not be long now before a start is actually made. The Members of the Chamber will, I feel sure, concur in the regret expressed by the Chairman on the departure of Sir Matthew Nathan. I have now much pleasure in seconding the adoption of the report and accounts.

The motion was carried.

The CHAIRMAN proposed the confirmation of the election of the Stockton Milling Co. as a member of the Association.

Mr. CRADDOCK seconded, and the motion was agreed to.

Mr. ORMISTON proposed the election of Hon. Mr. E. A. Hewett, Hon. Mr. H. Keswick and Messrs. A. Haupt, D. R. Law, G. H. Medhurst, N. A. Siebs, J. R. M. Smith, H. E. Tompkins and A. G. Wood to the Committee.

Mr. HINDS seconded, and the motion was carried.

The CHAIRMAN—That is all the business, gentlemen. Thank you for your attendance.

THE REPORT FOR 1906.

Following is an abstract of the report:—

The year under review has been a fairly busy one for the Committee, several important questions having come up for consideration. The necessity for making modifications in the regulations governing the working of petroleum in bulk has again been before the Committee and we are glad to be able to report that the Government has adopted the proposals put forward.

The Government did the Chamber the honour of consulting them with regard to the contemplated change to be made in stamping Bills of Exchange, and the Committee were of opinion that the proposals of the Authorities were satisfactory.

After considerable correspondence on the subject of a British Postal Agency at Tientsin the Government decided to make the experiment for a twelvemonth of opening an Agency with the assistance of the Chinese Engineering and Mining Company Ltd. It is to be hoped the experiment will prove satisfactory as it is most desirable in the interest of British trade that such a postal Agency should be maintained at Tientsin.

In connection with a case tried in the Admiralty Court arising out of a collision between the vessels *Kwongtung* and *Tai On* the question was raised by the Chief Justice as to whether all river steamers over 300 tons should not be legally compelled to carry two certificated Officers, in addition to the Master. The Government referred the question to the Committee who however are of opinion that the same rule which obtains in home waters should hold good here and that under the circumstances it was not desirable to make it compulsory for vessels of this class to conform to more stringent regulations than are applied to like vessels at home.

The question of the disadvantage under which Newchwang suffered as a centre of imports and exports as compared with Tientsin (Dalny) in consequence of the passing of goods free of duty through the latter port, was specially brought to our notice by the Newchwang Chamber of Commerce. The grave injustice thus occasioned to those who desire to carry on their trading operations through Newchwang was readily admitted by this Chamber which is strongly in accord with the demand put forward that Newchwang and Dalny should be placed on an equal footing. Representations were consequently addressed to the Diplomatic Body at Peking and it is understood that by an establishment of I. M. Customs stations along the frontier this cause for complaint has now been removed.

This all important question has again been before the Committee during the past year, and while it is to be regretted that no apparent advance has been made by the Imperial Chinese Government to carry out the much needed reform in China's currency as agreed to in the Commercial Treaty of 1902, still we trust a move may be made before long and as a reminder to the Authorities concerned are for a third time in conjunction with the Shanghai and Tientsin Chambers of Commerce preparing a joint memorial to forward to the Diplomatic Body at Peking on the subject.

The Hongkong & Kowloon Wharf & Godown Co. Ltd. having proposed to bring in a new bye laws bill, the draft of the bill was submitted to the Chamber of Commerce by the Government.

The Committee did not however consider there was any special reason for such a bill as the rights and interests of the Company and their Constituents appeared to be already fully safeguarded for by existing laws. It is understood that the proposed bill has now been abandoned.

Further correspondence has passed between the Government and Committee from which it will be seen that it has been definitely decided to erect a new time ball station on Signal Hill at Kowloon, a change which the Committee consider is a decided improvement upon the present site.

The important question [of the Paris Sanitary Convention] was dealt with fully in the report for 1905. Since then further correspondence has passed between this Chamber and the Chamber of Commerce in Singapore, but unfortunately that association and the Straits Government still hold the opinion that it is not advisable to reduce the period of quarantine from ten to five days. H.E. the Governor in the Spring of last year decided to send a representative to Singapore to discuss the matter with the Straits Authorities and Dr. Bell was selected for this mission; which however did not result in inducing the Singapore Government to agree to subscribe to the Paris Convention.

Under these circumstances the Committee were obliged to inform His Excellency that

they could not recommend Hongkong giving its adhesion to the Convention.

The Committee decided to make a further contribution of £10. towards the Parliamentary Expenses Fund in connection with the proposed bill dealing with the above question. As is now known the Bill has been before the House of Commons but was thrown out on the second reading on the 22nd March by a majority of 150 to 118 after a speech against the bill by the President of the Board of Trade. No doubt more will be heard in due course on the subject from the Decimal Association.

In the spring of last year the Chamber was invited to send delegates to the sixth Congress of Chambers of Commerce of the Empire to be held in London in July, 1906.

The following gentlemen were invited to act as representatives, Sir Thomas Jackson, Messrs. Gershom Stewart, R. C. Wilcox and F. Salinger. Mr. C. W. Dickson was also asked to represent the Chamber but did not reach England in time to do so.

Mr. Stewart and Mr. Wilcox attended the Congress and the former spoke in favour of the resolution for a preferential agreement within the Empire.

The official programme of the Conference however did not unfortunately reach the Committee in time to enable them to communicate their views on those points likely to affect the trade of Hongkong to the representatives.

Some very important correspondence has passed with regard to certain proposed modifications in the Emigration Ordinance No. 1 of 1889.

The present laws unquestionably inflict considerable hardship on British Shipowners and seriously handicap them in an important branch of their trade when competing with foreign ship-owners.

The Committee of this Chamber feel that the time has gone by when such strict regulations should be enforced, as for instance the refusal to allow emigrants to be carried for a voyage of over 30 days' duration or to a country other than a British possession.

The views of the Committee are fully set forth in the letter addressed to the Hon. the Colonial Secretary, dated 14th August last, and will no doubt be unanimously endorsed by the Members of the Chamber.

So far the only answer to the Chamber's protest has been that the matter will receive further consideration from the Secretary of State for the Colonies.

Another question in connection with this Ordinance has also been raised viz: that all passengers on board of Asiatic birth including first and second saloon passengers are counted as "Emigrants" and if over 20 such passengers are carried the steamer has to take out a special certificate and these passengers are treated as emigrants.

Representations having been received on the subject from the Via Suez Mail Lines, the question has been referred to the Government, but up to the present it is not known if the Secretary of State intends to deal with this question.

It is to be hoped that both the above points will receive the consideration of the Conference now sitting in London under the Chairmanship of the President of the Board of Trade to consider the working of the Navigation Laws of the Empire.

A serious dispute having arisen between the Cassia Guild and the foreign buyers at Canton, the Chamber of Commerce at that Port asked the assistance of this Chamber in the matter. The correspondence was at once circulated among the members of the Chamber so that those who were interested in the Cassia trade might be fully posted as to the position of affairs in Canton.

It is with great regret that the Committee find it is necessary to record another serious pirated attack on the British steamer *Sainam* in the water of the neighbouring provinces of China when a passenger, a British subject, was murdered, the Captain left for dead and several of the crew wounded, the vessel being plundered.

This took place on the night of the 13th July, and as soon as possible after the news reached Hongkong a meeting of the Committee of the Chamber was held (on the 17th idem.) when it was decided to

telegraph to the Rt. Hon. the Secretary of State for Foreign Affairs urging the importance of His Majesty's Government taking up the question in the strongest possible manner with the Chinese Authorities, not only with a view to having the miscreants responsible for the outrage brought to justice but to demanding proper guarantees that the waterways of the provinces of the Two Kwangs be properly policed, or failing this, that the British Government should undertake this work.

Unless the matter were dealt with firmly and effectively, the Committee further stated that life, property and trade were absolutely unsafe and that further outrages would probably occur.

A somewhat similar telegram was despatched to Sir Thomas Jackson with the request that the matter be laid before the Congress of the Chambers of Commerce, but if the Congress was already closed the telegram be forwarded to the London Chamber of Commerce.

It is admitted that in this case the local Chinese Authorities acted with promptitude under the stimulus of instructions from Peking sent at the request of H.M. Minister, but the Committee wish to again point out that they do not consider any excuse can be made for the Provincial Authorities in not maintaining sufficient control over their districts so as to render such attacks as this impossible.

In this belief the Committee further strongly supported the owners of the *Sainam* in their claim for consequential damages and their reasons for so doing are set forth in full in the various letters dated 20th November addressed to the Secretary of State for the Colonies, and for Foreign Affairs, the Hongkong Government, and the London Chamber of Commerce.

Finding that the Rt. Hon. the Secretary of State for Foreign Affairs had refused to entertain the claim preferred for consequential damages by the owners of the *Sainam* the Committee telegraphed asking him to suspend action pending receipt of a written protest against this decision.

The Committee much regret that His Majesty's Government declined to alter their decision.

The Committee hold the opinion that failure to exact full and just reparation for such an outrage is a direct encouragement to the local officials to continue in their old courses and to look with indifference, if not with actual complacency, upon attacks of this nature which are calculated to hamper and injure foreign trade in China, a trade which is being carried out under treaty obligations and for which the Chinese Government is responsible for rendering full protection.

While it is stated a force of armed launches under the control of the Imperial Maritime Customs is to be shortly placed upon the waters of the Delta with a view to checking piracy the Committee still consider that H. M. Government should extend their own service of small vessels for the purpose of rendering that protection to British trade which has been demanded so often in vain from the Chinese Government.

The question of late delivery of Manchester goods having been raised by the Liverpool Chamber of Commerce, a circular letter on the subject was sent to the members of this Chamber interested in the piece goods trade. A Subcommittee was formed who agreed upon a clause which they suggested should be embodied in all Contracts.

After farther consultation however between the Chambers of Commerce of Manchester, Bradford, and Liverpool, it was finally decided to abandon the proposed alteration in the wording of the Contracts in view of the divergent views held by many engaged in the trade.

The question of Registration of Partnerships has again been brought up by the Singapore Chamber of Commerce who forwarded a draft of a bill which it had been proposed to bring into force in the Straits Settlements, together with a report in the bill made by an influential Committee appointed for that purpose.

The difficulties in dealing with this vexed question are clearly demonstrated by the differences of opinion which exist among the members of the Committee as shown in their report.

It is understood that the Straits Government has, for the time being at all events, decided to

abandon any attempt at legislation on this complex question.

On the departure of Mr. R. Shewan for England in April, this gentleman, who has represented the Chamber of Commerce in the Legislative Council since 1902, resigned his position. The Chamber are much indebted to Mr. Shewan for the attention devoted to their interests during his term of Office.

A meeting of the members of the Chamber was held on the 26th April 1906 when the Chairman, Mr. E. A. Hewett, was elected to succeed Mr. Shewan, there being no other Candidate put forward.

During the year under review the following firm has been elected to membership of the Chamber:—Stockton Milling Co., Ltd.; while Mr. E. H. Sharp, K.C., has left the Colony.

The Hon. Mr. C. W. Dickson and Mr. F. Salinger having left Hongkong, their places were filled by Hon. Mr. W. J. Gresson and Mr. H. E. Tomkins. Mr. J. R. M. Smith having also been absent from the Colony his place was taken by Mr. H. E. R. Hunter.

It will be noticed that during the year 1906 the expenditure exceeded the income by \$705.73. This was due partly to the large falling off in subscription to Reuter's Political Telegrams and on the other hand to an increase in several items of expenditure more particularly on account of telegrams, \$945.31 having been so spent, the greater part being in connection with the *Sainam* piracy case.

The income was \$16,379.55, including subscriptions \$6,535, market report sales \$323.95, subscriptions to Reuter's telegrams \$7,314.85, and interest on investments \$1,052.75.

THE CURRENCY QUESTION.

The following correspondence has been sent to us for public information:—

Hongkong Chamber of Commerce,
17th May, 1907.

SIR,—You are no doubt aware that during the past four years the Chambers of Commerce of Hongkong, Shanghai and Tientsin have sent two joint Memorials to the Doyen of the Diplomatic Corps at Peking urging upon the Foreign Representatives the necessity in directing the attention of the Imperial Chinese Government to the unsatisfactory condition of the currency of the Empire, and the crying need which exists for thorough reform as a first step towards placing the finances of China on a satisfactory footing.

These Memorials were dated respectively 6th August 1903 and 12th September 1904.

In spite of the representations which have repeatedly been made on the subject to the Imperial Government, no real step towards reform has as yet been taken, and these Chambers of Commerce have therefore decided to send a further memorial to Peking, the draft of which has been agreed upon.

I now beg to hand you copy of this Memorial already signed here and which has now been forwarded to Shanghai for signature.

A copy of the Memorial will also be sent direct to each of the Foreign Ministers at Peking.

It is understood that His Excellency the Officer Administering the Government has already taken up the question of currency reform and I have now the honour on behalf of this Chamber to request that he will specially bring the matter to the notice of the Right Honourable the Secretary of State for the Colonies, as not only is our trade with China seriously affected by the present deplorable condition of China's currency, but the local industries of this Colony and our daily trade and retail business in like manner suffer from an excess of depreciated, subsidiary coins which it is impossible to exclude from the Colony.

In the opinion of the Committee of this Chamber the first step towards reform is to place the whole of the mints under Imperial control and to put an end as promptly as possible to the issuing of coins or bank notes by the Provincial authorities.

These local Authorities, as a rule, would seem to be wholly ignorant of the first principles of Imperial finance for they apparently regard their mints chiefly as yet one more means of making money for themselves during their tenure of office, without regard to the dislocation of trade and the evil effects generally which may result from flooding their districts

with depreciated subsidiary silver and copper coinage.

This has been demonstrated in a very marked manner by the action of the Authorities in the Provinces of the Two Kwang during the past few years by their excessive coining, chiefly of silver 20 and 10 cent and copper one cent pieces.

They further issued notes of \$1.00 and \$5.00 denomination. The former has from the first been "watered as the notes, though bearing on the face the characters 元 (one) dollar and an impression of the Kwang Tung dollar which is supposed to be 7 mace, two candareens, are stamped on the back as being redeemable in subsidiary coins which at the present market value means a discount of about 9 per cent, at times this discount has been lower and higher.

These notes are not accepted by the Imperial Maritime Customs in payment of duties nor taken at par but subject to the usual discount.

Recently a new issue of \$1.00, \$5.00 and \$10.00 notes has been made by the Kwang Tung Authorities.

Although these notes are issued at their face value, and on the reverse bear a copy of the proclamation dated two years ago, to the effect that the notes can be used in the payment of salt dues and other Government Taxes, and the upper part of the notes is printed an inscription to the effect that the notes are redeemable in subsidiary coin.

This inscription which is now printed as part of the note is similar to that stamped on the earlier issue of one dollar notes already referred to.

The effect of this is that these notes are actually certificates for the depreciated subsidiary coin and do not represent their face value.

It is worthy of special mention that the Provincial Authorities only accept these notes in payment of Land Taxes at the current discount on subsidiary coins.

A few Kwang Tung Silver dollars have in the past been issued but have now almost entirely disappeared, having been reminted into depreciated subsidiary coins. It is now understood that the Provincial Authorities intend making a new issue of dollars with a view, so it is reported, of raising revenue; if this be the intention then either the weight or the fineness of the dollars will be reduced thus still further increasing the monetary confusion which already exists in China.

I would here remind you that the fineness of the British dollar is 900 and the weight 416 grains.

I would further beg to point out for the consideration of His Excellency that under the terms of the British Commercial Treaty of 1902 (Clause II) China entered into a specific understanding that she should take the necessary steps to provide a national uniform coinage for the whole Empire.

Not only was Great Britain the first Treaty Power to secure such an undertaking from China, but even up to the present date many of the other Governments have now thought fit to ask for such an agreement. It would therefore appear to be the special right of the British Government to urge, and if necessary insist upon, the carrying out of the Clause in our treaty already referred to, thus conferring an incalculable benefit both upon China and all engaged in trade with that Empire.

In conclusion I would beg to state that the Committee of this Chamber does not advocate closing the local mints, more particularly those situated at any great distance from the Capital, but that they should be placed under direct Imperial control so that all the mints be worked in uniformity.

For correspondence on the subject of currency reform in China and also that relating to the two earlier memorials I would beg to refer you to Pages 31/32 and Appendix H of this Chamber's report for 1903 and Pages 28/29 and Appendix D of report for 1904, copies of which have already been sent you. I have &c.,

EDBERT A. HEWETT, Chairman.

Colonial Secretary's Office.

Hongkong, 21st May 1907.

SIR,—I am directed to acknowledge the receipt of your letter of the 17th instant on the subject of the condition of currency in China,

and to inform you that a copy will be forwarded to the Secretary of State for the Colonies.

I am, Sir,

Your obedient servant,

A. M. THOMSON,
Colonial Secretary.

The Chairman.

Chamber of Commerce.

CURRENCY REFORM.

Following is a copy of the petition sent to the Doyen of the Diplomatic Corps at Peking, from three Chambers of Commerce:—

Your Excellency, We, the undersigned Chambers of Commerce of Shanghai, Hongkong, and Tientsin had the honour of addressing the Doyen of the Diplomatic Corps, in September 1903, and September 1904 on the question of a Uniform National Coinage for China.

No material results being apparent we are again broaching the subject and have the honour to request that further representations be made to the Chinese Government through the Diplomatic Corps, as to the necessity of the former carrying out her Treaty obligations.

The disabilities under which the Country is labouring, owing to the fluctuations in the gold value of silver, and the apparent excessive coinage of silver subsidiary coins and copper pieces which are already at a very heavy discount is evidence to all that the Chinese Government cannot be fully alive to the necessity of at once taking in hand the establishment of a National Coinage.

In conclusion we respectfully beg that the Representatives of the Treaty Powers in Peking lose no time in urging upon the Chinese Government the imperative necessity of immediately taking this matter in hand.

We have the honour to be,

Your Excellency's

Most obedient servants,

Chairman Shanghai Chamber of Commerce.
Chairman Hongkong Chamber of Commerce.
Chairman Tientsin Chamber of Commerce.
To His Excellency,

Mons. DE CARCER,

Envoy Extraordinary and Minister
Plenipotentiary for Spain and
Doyen of the Diplomatic
Corps, Peking.

SHANGHAI GENERAL CHAMBER OF COMMERCE.

Minutes of Meeting of the Committee and Riparian Owners held on May 13:—

Present:—Messrs. H. R. Kinnear (Chairman), Brasier de Thuy, J. N. Jameson, D. Landale, C. Michelau, and A. Wright, Committee, with Mr. L. E. Canning, Secretary.

The following firms were represented:

Messrs. Arnhold Karberg & Co., Butterfield & Swire, China Merchants S. N. Co., Chinese Eastern Railway Co., Chinese Engineering & Mining Co., China Import & Export Lumber Co., C. A. Devlin, Jardine Matheson & Co., Mackenzie & Co., Ltd., Melchers & Co., Moorehead and Halse, New Engineering and Shipbuilding Works Ltd., Nippon Yusen Kaisha, Len Robert, Royal Dutch Oil Co., Shanghai Pulp & Paper Co., Shanghai Waterworks Co., Ltd., and others.

Mr. H. R. Kinnear said:—Gentlemen. We have asked you to meet the Committee of the Chamber to-day to discuss the letter received from the Conservancy Board laying down the conditions on which Riparian Owners may fill in their land and erect wharves and pontoons, a copy of which has been circulated to all of you. We have done this because we feel that unless a uniform plan is arranged on which the work can be proceeded with, it will be quite impossible to carry it out successfully. While the Conservancy Board lays down the conditions on which the work is to be done, it would appear to be left to the Riparian Owners to arrange the procedure for carrying them out. You, Gentlemen, are not only the interested parties, but have amongst your number those best qualified from experience to judge how the plan should be worked so as to safeguard the interests not only of the conservancy of the river, but of all Riparian Owners. I would

suggest, therefore, that you elect a Committee to elaborate a scheme for carrying on the work. This Committee could report later on, and if the scheme met with your approval, it could be forwarded to the Conservancy Board for its approval, and the work be proceeded with as soon as possible. I do not think there is anything more I can say, except to assure you that the Committee of this Chamber will give soon every assistance in its power. In the meantime, we shall be very glad to hear any remarks or suggestions which any of us may feel inclined to make. As I have said, you are the interested parties and our only desire is to further your interest in any way we can.

Mr. D. Landale (Jardine Matheson & Co., Ltd.)—Speaking as a Riparian owner, we have heard what the Chamber of Commerce has to say and I think we ought to have a meeting to elect a Committee to go into the different questions and to formulate some scheme. I have only recently returned to Shanghai and have not yet had time to go thoroughly into the question. I would like to propose that we have a meeting of the Riparian Owners and elect a Committee to go into the whole question.

Mr. C. Michelau (Melchers & Co.)—I have pleasure in seconding that.

Père Robert—If I understand correctly, what will be the duty of this Committee?

The Chairman—To find out the best plan for carrying out the work. The Conservancy Board has made a normal line and the owners cannot at present go on with the work. The first thing to be done is to apply for the Shenko papers; this will all have to be discussed and a rate fixed for each section. At present the Chinese are approached by our Consuls, but if all the owners agree there is no reason why application should not be made to the Conservancy Board for the Shenko papers. My Committee feels it is the business of the Riparian Owners and not of the Chamber of Commerce but we will do all we can by placing anything before the Consular Body. I do not think we can do any more, we shall be pleased to place this room at your disposal for your meetings, and I thank you for your attendance.

KULANGSU (AMOY) MUNICIPAL COUNCIL.

Minutes of a meeting of the Council held in the Board Room, on the 7th May 1907.

Present:—Messrs. W. H. Wallace, C. A. V. Bowra, A. F. Gardiner, Huang Ts'an-chew, S. Okuyama, and the Secretary.

1. The minutes of the last meeting are read, and confirmed.

2. Mr. Wallace is unanimously elected chairman, vice Mr. Marshall, resigned.

3. On the motion of Mr. Wallace, seconded by Mr. Bowra, Mr. Gardiner is elected Vice-chairman.

4. Proposed by Mr. Wallace, and seconded by Mr. Bowra, that Mr. W. Wilson be invited to fill the vacancy on the Council, caused by the resignation of Mr. Marshall.

5. A letter is read from Mr. Lim Nee Kar requesting permission to construct a tunnel under a public road at Sin-lo-tow to connect his two properties, and the Secretary is instructed to inform him that the Council have no objection to his proposal providing that in building the tunnel he complies with the conditions laid down by the Council.

6. The Secretary reports that the gates erected on a public road near the London Mission Church have been removed.

7. The Superintendent of Police reports the following cases have been heard in the Mixed Court since the last meeting:—

SUMMONSES.

Contempt of Court 3, Non-payment of Taxes 3, Breach of Municipal Regulations 2, Debt 1.

SUMMARY ARRESTS.

Theft 1, Being in possession of stolen property 1, Threatening to do grievous bodily harm 1, Assault 2, Drunk and incapable 1.

(Signed) W. H. WALLACE,

Chairman.

By order,

C. BERKELEY MITCHELL

Secretary.

VICTORIA PUBLIC SCHOOL.

ANNUAL PRIZE DISTRIBUTION.

The annual prize distribution at Victoria Public School was held on the 27th May, when Mrs. F. H. May presented the prizes won by pupils in the school and on the field of sport. She was supported on the platform at the head of the school room by Mr. E. D. C. Wolfe, acting Inspector of Schools and Mr. W. H. Williams, the head master.

After a number of pleasing songs and recitations by the pupils, Mr. Williams, before reading his annual report thanked Mrs. May for attending, and welcomed Mr. Wolfe, their inspector. He then read the report in which it was stated that there were no changes in the staff, Mrs. Wilkinson being in charge of the Infants and Lower School, Mrs. Morris with Standards III. and IV. and the boys of the Upper School under my tuition. The Inspector of Schools reported in December that the discipline was very good. In order to allow the curriculum of the Upper School to specialise in the education of the older boys, no girls are now admitted to the Upper School. The school was opened 14 times during the year. While the average attendance shows an increase over the previous year, the regularity in individual attendances shows a falling off, the excuses for absence being for the greater part of a trifling nature like birthday parties. When there are so many holidays in the year and school closing at 3 p.m. each day, and the means of transport so easy, no excuse but that of illness should prevent parents from sending their children to school regularly and punctually. The attendance is poorer in the summer than in the winter months as might be expected in a tropical climate. The total expenditure under salaries and other charges for the year amounted to \$6,195, and the total amount received in school fees \$1,439. The average monthly attendance for the year under review being 43.2; the cost to the Government per child per annum works out at \$110, approximately £11 sterling, a figure which is considerably higher than the average cost per scholar in our Anglo-Chinese Schools. Bearing the figures in mind it is to be expected that British parents should obtain the maximum of benefit by sending their children to school regularly. The dilapidated condition of the floor, walls and roof of the school necessitated constant repairs by the Public Works Department, the amount of expenditure incurred since the opening of the school being \$1,742.18. The memorable typhoon of the 18th September caught us unprepared. The school being opened early, maps and diagrams and glass windows were scattered about ruthlessly. The older boys did their best to barricade, and on the whole we suffered little serious damage. New cement floors have been put down in the schoolrooms. During the summer months I had to report on the insanitary surroundings of the school. Malarial fever was prevalent and appreciably affected our attendance. Steps have since been taken to remove the swamps in the immediate vicinity and to prevent the dumping of refuse, while the drainage of the premises has been considerably improved by the Public Works Department. All the pupils of the Upper School contributed essays for the Empire Day Essay Competition between all Primary Schools of the British Empire. Last year's subject was "The Chief Stages in the Growth of Greater Britain," and, to assist the reading of the pupils, I gave a series of lessons on the history of our Colonies, illustrated by lantern views of life and conditions in other countries of the Empire. Five of the essays handed in were authorized by the Inspector of Schools for dispatch to the Federal Council of the League. The results were very gratifying to the Victoria School as the following extract from Mrs. E. M. Ord Marshall's (Hon. Sec. League of Empire) letter to the Hon. Colonial Secretary of Hongkong shows—"The essays submitted by the Victoria School, Hongkong, are considered by the judges to have merit. Will you permit us to offer our congratulations to the Victoria School as being one of those selected as having obtained special merit in the Competition, securing the 4th place." Acting under instructions from H.E. our late Governor, Sir Matthew Nathan,

13 boys were formed into a Cadet Corps attached to the Hongkong Volunteer Corps. Col. Sergt. Bullock attended weekly giving instruction in Infantry Drill and Semaphore. In October, nine of the cadets qualified to receive their uniforms and attended the Volunteer Camp for 10 days. They were inspected by the General Officer Commanding the Troops, and he warmly congratulated them on their keenness and progress particularly in signalling, and Cadets Hoskins and Friend received special prizes for proficiency. The Corps, though small, will, I believe, be a useful addition to our Volunteers. What they lack in numbers they make up in keenness and thoroughness, and apart from the merits of an early military training the physical exercise afforded the boys is for their own benefit. I am able to announce that the Government have promised to erect a miniature rifle range and to supply the cadets, with rifles fitted with Morris tubes and 5,000 rounds of ammunition. Both boys and girls continue to take a keen interest in games, and there is a healthy tone in the play ground. The football team again entered for the Schools' League, going four rungs up the ladder, where as last year we finished at the bottom. No difficulty was experienced in obtaining entries for our Athletic Sports and every pupil in the school took an active part. The physical and military training of boys may well be considered as a schoolmaster's and a parent's duty provided that such is not permitted to interfere with the primary object of education. During the year seven boys obtained Putnam's elementary certificate for shorthand. In the competitive examination held by the Trustees of the Belilios Fund No. 2, three of the 12 awards were credited to the Victoria School, A. Martin, G. Stokes, and Winifred McNeill being the successful candidates. One boy, R. N. Robson, entered for, and passed, the Oxford Local Preliminary Examination. Owing to the carrying out of urgent repairs at the school we were obliged to close for the whole of February, and this unexpected holiday following so close upon the Christmas vacation rendered the work for the year backward, and I extended the last term from the 31st March to the 30th April to enable the year's syllabus to be completed. During the third and fourth weeks of April I examined each class in every subject. Each pupil's results have been sent with the term reports for the information of parents. The Government course in Hygiene has been supplemented by a course in Physiology and 'First Aid' Principles, and, as I anticipated, our candidates did much better at the Hygiene Competitive Examination in December 1906 than in 1905, obtaining over 80 per cent. of the possible number of marks. Our thanks are due to the parents for the kind way in which they subscribed to our Sports' Fund, to Major Chapman, Commandant H.K.V.C., and Captain Armstrong for assisting the Cadets, and to Mr. D. Templeton who has very generously promised the sum of twenty-five dollars annually for four years as a prize for the boy who stands highest at the School Examination in four branches of Mathematics.

Mr. Wolfe, before calling on Mrs. May to present the prizes, said he hoped it would not unduly lengthen the proceedings if he made a few remarks on the report. All would agree with him that it was certainly an excellent report, though, of course, as in all reports, there were one or two points of attention had to be drawn to when certain things were not as they should be. He wished to point out that this school was now in its second year, and the number of pupils in attendance certainly warranted the experiment the Government made in starting it. The Government were now, he understood, notwithstanding all the important public works to be carried out, going to add another story to the school. This showed that they intended to help the school on as far as they could, therefore he would appeal to the parents to help it in the matter of regular attendance of pupils. Regarding the malaria and unhealthiness of the place, parents would see that this was gradually being done away altogether. Concerning the cadet corps, it seemed to him that this was a movement that should very much be encouraged. They might think him partial because he happened to be a Volunteer, but he certainly

thought there could be no better training for future volunteers than the cadets, quite apart from the fact that such training was beneficial to health. The present thirteen members of the Victoria School Corps would be able to render excellent service in the way of semaphore signalling, which was of the utmost importance. He thought all would agree with him and be pleased to see the school had done so well at athletics. The report on the work of the school was a very good one, everything being well done except arithmetic. This subject deserved a certain amount of attention, especially in a place like Hongkong where we had the wily natives to contend with.

Mrs. May was then asked to present the prizes, which she did, the list being as under:

UPPER SCHOOL.

"Algebra"	Melville Silverstone
"General Intelligence"	Geo. Hoskins
"English History"	Templar Edward
"Elem. Mathematics"	B. Friend
"General Progress"	Geo. Witchell
"Special Prizes"	Mathematics
"Special Prizes"	Belilios Prize,
	M. McNeill

LOWER SCHOOL

"General Proficiency"	Jessie McNeill
"General Proficiency"	Juan Gibson
"Attendance"	Jno. Rodger
"Attendance"	Geo. Rodger
"Attendance"	Ernest Wilkinson
"Attendance"	H. Haynes

On completion of her task one of the pupils presented her with a handsome bouquet of flowers, which she smilingly accepted.

Three cheers were then raised for the lady, for the headmaster, and for the teachers, after which the proceedings ended.

THE COMMISSION.

MEMORANDUM BY HON. MR. E. OSBORNE.

Incorporated with the Commission's report was the following memorandum:

1. Having been a Member of the Sanitary Board when the Public Health Ordinance was under discussion I am familiar with the controversy that took place concerning it, and for the reason that drastic measures seemed imperative I, with others, agreed in the main with its provisions.

2. Ten years have intervened. The Ordinance has had full and fair trial, its provisions have been enforced at a large sacrifice to the Colony's material welfare notwithstanding which plague has not disappeared, and I doubt whether it has even diminished to any large extent.

3. Under these circumstances the time has surely arrived for a revision of our methods, unless evidence be forthcoming that the measures legalised by the Public Health Ordinance have resulted in more good than is apparent on the surface.

4. The abolition of cubicles renders it impossible for a family of small means to live in the Colony or it drives them to the use of curtains as partitions, which by reason of their filth are a worse evil than the old wooden ones.

I suggest a modified form of cubicle be allowed, made of painted woodwork and glass (or iron and glass) raised from the floor and of such height as not to exclude light and air.

5. The so-called limewashing entails expenditure by tenants (for tenants pay in the long run) with no corresponding good, as the mixture slopped on to the walls is valueless except to accentuate the surrounding dirt. It is, I believe, admitted to contain no disinfecting properties so that this expenditure, generally recognised as an ignorant mistake, is continued in violation of common sense.

Compulsory limewashing should be abolished, and in its place I suggest that more effort be directed towards the destruction of rats, and ordinary cleanliness. The most effective method of destroying rats is to starve them in their runs, involving the removal of ceilings and the effective closing of runs with cement mortar mixed with broken glass. There should be no openings in walls on ground floors for rats to enter from streets and lanes. Drains from ground floors should not be led through walls as now, but through the door sill so that when the door is closed the rat is excluded.

Ordinary cleansing, I believe, to be the most effective preventive of plague. Short simple instructions should be posted in Chinese houses requiring rat runs to be closed and rooms cleaned, every house inspected, say, once a month at a fixed hour on a day, the contents of the room placed in the centre, obstructions to light and air removed. The Inspector should examine punctually at the time appointed and grant a certificate that the room is clean. Following the Inspector should come the cleaning gangs to cleanse those floors which the Inspector has not passed. I venture to say that if this procedure were adopted, within a few months there would be few floors left for the cleansing gangs to deal with.

Tauksas at present (but more of them) should perambulate the streets daily containing plain boiling water for killing vermin by immersion of mats and trestles.

6. Regarding the concreting of floors and other structural repairs, I think, that after a house has been put in order a certificate should be given absolving it from further Sanitary requirements for a period.

7. Where no cubicles exist a larger number of persons might be allowed to occupy a room than is permitted by present regulations. The allowance of 50 feet of floor area and 550 cubic feet of air is excessive when it is considered that for eight months of the year the window and doors remain open day and night.

8. Drains, as far as possible, should be abolished and surface channels substituted.

9. Gratings to drain pipes should not be insisted upon as the tenants smash them as soon as they are fixed.

10. Kitchen sinks are not used by Chinese, and should not be required.

11. As instancing what can be done by ordinary cleansing I may mention that plague was very bad during the years preceding 1901 in the Wharf Company's employees' quarters at Kowloon.

In 1901 they were overhauled, every rat and mouse destroyed and every possible breeding place filled up, since which the premises have been flooded with light and air daily and every floor cleaned about once a month.

The effect of these measures has been that only one case of plague has occurred during six plague seasons, notwithstanding that the disease has raged in the neighbourhood.

It takes me one hour per week to inspect 84 floors (they are of course prepared for inspection) and although I do not suggest that the whole City can be treated with the same thoroughness, I see no reason why similar methods in a modified form should not be adopted.

12. Having given considerable attention to the question of plague in connection with several thousands of employees I claim to possess some knowledge of the subject from the Chinese point of view and I am convinced that only a proportion of plague cases comes within the knowledge of the Sanitary Authorities; indeed, as a rule, only those unfortunates are reported who are without friends to send them out of the Colony and those whose home is in Hongkong.

13. The Colony maintains a large staff whose efforts to cope with plague will never, in my opinion, be successful without the co-operation of the Chinese and this co-operation can only be obtained by giving the Chinese freedom to treat the sick in their own homes; and by applying existing regulations only in such instances where the people will not of their own accord keep their premises clean.

The treatment of sick Chinese in their own homes was, I understand, tried experimentally under Sir Henry Blake's régime and records shew that plague ran more or less through the whole block of houses experimented upon. The deduction made from this is that the disease spread through the block in consequence of the first patients not having been isolated. The deduction which it seems to me may be made with equal justice is that in this instance the patients were not concealed and the real extent of the disease was for once made known.

At one sitting of the Commission, Mr. Osborne gave sworn testimony, as follows:—

The Chairman.—Do I understand from you, Mr. Osborne, that the Building Authority and Sanitary Department had practically passed buildings, but, because the certificates were not promptly forwarded to you, you lost a fortnight's rent?

A.—We lost rent. The original agreement with the tenants was that they should take possession from the date of passing by the Government, and the certificate from one Department came in one day, but the certificate from the Sanitary Board did not come in for some days afterwards, so that it was not completely passed by the Government, and that interval lost the Hotel Company some hundreds of dollars.

Mr. Shelton Hooper.—From your experience, as a past member of the Sanitary Board, having to do with buildings, and knowing the mode of procedure that takes place, plans have to go to the Building Authority, and separate plans for drainage to the Sanitary Board, and certain plans with regard to the height of buildings have to go to the Sanitary Board for approval. Don't you think that if the Building Authority were done away with altogether, or amalgamated with the Sanitary Board, and we had a sanitary and building board, composed very much as it is now, with an Executive Engineer and a Medical Officer of Health who should report to the Board, and the Board masters of the situation, that it would be a deal better than the present mode of procedure, and a better carrying out of the Ordinance?

A.—Yes, I think one Executive Engineer to do that work of both Departments, would be preferable. As a matter of fact, various small jobs we do at the Kowloon wharves are very often finished before we get permission to do them. I get the contract and the plans out, but cannot always wait for the permission. If I did, I might wait indefinitely.

The Chairman.—Your experience is that you don't get the plans passed, so promptly as they might be?

A.—No.

Q.—How long do you have to wait on an average for small work, small repairs?

A.—We rarely get permission under a fortnight.

MR. HOOPER'S APPENDIX.

VITAL PART OF COMMISSION'S REPORT.

The following excellent Historical Review of Sanitary Administration in the Colony appeared as Appendix No. 7 to the report of the Commission:—

1. The earliest record of any sanitary administration of the Colony, is when the Sanitary question was taken up by the Government and a Committee of Public Health and Cleanliness was appointed in August, 1843, with authority to enforce rigid sanitary rules amongst all classes of residents, but no effective measures were taken. Those rules were subsequently formulated by Ordinance 5 of 1844.

2. Ordinance Number 14 of 1845 enacted *inter alia* that the occupier of premises should not allow the accumulation of filth or other offensive substances within his premises. This was followed in 1856 by an Ordinance to regulate Chinese burials, and to prevent certain nuisances, within the Colony of Hongkong as follows.

3. "Such of the Orders and Regulations of the General Board of Health established in London under Authority of the Acts of Parliament for the protection of the Public Health, or any of them, as shall be from time to time, by the Governor in Executive Council determined and notified, with such modifications thereof respectively as His Excellency in Council shall think fit to adopt, shall for such Time and to such Extent or with such Modifications as shall be so notified, extend to, and be enforced within this Colony under the Authority of this Ordinance."

4. Under the Ordinance of Order and Cleanliness 1866 the Governor was empowered to appoint a duly qualified Medical Practitioner to be Medical Inspector of the Colony who shall perform such duties connected with the Sanitary state of the Colony as the Governor shall direct.

5. Although the Ordinance was repealed in the following year the above section was re-enacted by the Amending Ordinance.

6. The Medical Inspector appears to have had no direct staff under him until 1873 when a Chinaman was appointed Scavenger for all Departments under Survey Department and this continued until 1878.

7. In 1879 four European Inspectors were appointed to Survey Department.

8. The following Chief Inspector was added to these four.

Mr. Osbert Chadwick was commissioned to make a Report on the Sanitation of the Colony.

9. No further change seems to have been made until 1883, when a Sanitary Department was created as a Sub Department of the Survey Department, under the directions of Mr. H. McCallum who was designated "Sanitary Inspector".

10. In the same year "The Order and Cleanliness Amendment Ordinance" was passed whereby the Governor might constitute a permanent Sanitary Board consisting of the Surveyor General, Registrar General, Colonial Surgeon and not less than 2 other members to be appointed by the Governor, but as a matter of fact the Board consisted of 8 members.

11. Mr. H. McCallum was Sanitary Inspector to the Sub Department of Public Works Department and was a member and Honorary Secretary to the Sanitary Board.

12. The first appointment was a Medical Inspector. Mr. McCallum was appointed a Sanitary Inspector. The other Inspectors were Inspectors of Nuisances.

13. In 1887 the Board was composed of the Surveyor General (Chairman), Registrar General, Colonial Surgeon, Major Dempster (adjutant of the Police), Messrs. McEwen, Manson, Ede, Ho Kai, H. McCallum (Secretary).

14. In the latter part of the year 1887 a new Public Health Bill was introduced into the Legislature and after the fullest discussions extending over some months it was passed but by a suspending clause in the Ordinance it did not become law until it was notified that it was not disallowed by the Queen which notification was gazetted in May, 1888.

15. This Ordinance was the first which gave the right to the public of electing any representatives on the Board and the important principle was admitted in the connection of the Board by an unofficial majority.

16. The Ordinance enacted that the Board should consist of the Surveyor General, Registrar General, Captain Superintendent of Police and the Colonial Surgeon and not more than 6 additional members, 4 of whom shall be appointed by the Governor and 2 elected by the Ratepayers.

17. It is made evident the latter 6 should be non-official members as the last part of the same section says "non-official members of the Board shall hold office for 3 years".

Thereby the unofficial majority of members of the Board was provided for.

18. In Committee of the Legislative Council, the Attorney General said:—"It must be remembered that the nominee of the Governor when once he has accepted Office and is a member of the Board is perfectly independent, and it must be born in mind that the new Board will consist of only 4 official members and six unofficial members."

19. Mr. McEwen said "there was nothing to prevent the Governor appointing say a Military man and so it is not certain that the unofficial element will predominate", to which His Excellency the Governor replied:—"With regard to the Military man, the Military generally have their own Board of Health and I do not think it usual—I won't say it is against the law—to appoint one belonging to the garrison to such a Board as this."

20. The Board from this time consisted of 10 members and was constituted as provided for by Ordinance of 1887.

21. In 1895 a new office was created, viz., that of Medical Officer of Health and in April a Bill was introduced into the Legislative Council authorising the Governor in case there was no vacancy on the Board to appoint the Medical Officer of Health a member of the Sanitary Board.

22. This was strenuously opposed in the Council, and in support of the opposition Honorable Mr. A. McConachie read the following quotation from the report of a Medical Commission appointed by the Governor to enquire into the working of the Medical Department of this Colony and which was received by the Governor on the previous day.

"That the Medical Officer should be
"adviser to the Governor on all Sanitary
"Matters through the Sanitary Board to

"which he should be attached and on which he should occupy a seat. He should have no vote, his duties on the Board being purely of an advisory nature, it being undesirable that he should enter into discussion on points on which he should be called upon to advise, his duties to be of a similar nature to those laid down by the Bedford Corporation and the City of London."

23. The Bill became law and to mark their disapproval of the Medical Officer of Health being added to the Board all the unofficial members of the Board except one resigned.

24. In the opening speech of the Session of the Legislative Council the Governor said he regretted to state there had been some misunderstanding between the Government and the unofficial members of the Sanitary Board in regard to the appointment of the Medical Officer of Health. * * * * Some opposition had been offered to his views in certain quarters and it is not improbable that a compromise will eventually be suggested by the Secretary of State but as yet no decision had been arrived at. In this uncertain state of affairs I was unwilling to assign any definite position to the newly appointed Medical Officer of Health as the *Su ordinate of a Body which, at any time might cease to exist*.

25. In the Legislative Council on the 14th December, 1895, the Honourable Mr. T. H. Whitehead complained of the action of the Government in regard to the Sanitary Board, and of the protracted delay on the part of the Government in reconstituting the Board on a proper basis. He said His Excellency the Governor in his opening address to the Council on 28th November, 1894, then said:—"That a Sanitary Board, meeting once a fortnight, could properly control and direct such a staff I do not believe, and that four or five independent gentlemen could be found who have time and inclination to devote several hours daily to such a task is beyond the bounds of possibility. I hope shortly to be in a position to inform you definitely what steps it has been decided to take to place the Sanitary Board on a new basis." A year later at the opening of the Session, His Excellency made an explanation and stated, "Some opposition has been offered to my views in certain quarters and it is not improbable that a compromise will eventually be suggested by the Secretary of State, but as yet no decision has been arrived at. There are those who have pretended to see in the action of the Government an attempt to deal a death blow to the Sanitary Board. I disclaim any such motive; and even had such been my object I should at least have adopted measures better calculated to effect it—measures which would have left no doubt whatever as to my intentions." *Sanitary method in Shanghai and Singapore under the management of a Municipal Council have so far given satisfactory results, while our system is continually and adversely criticised and not without good reason, as the most obnoxious and the most poisonous odours are to be met with in every street of the town. The accumulations of filth discovered in the native part of the city last year were permitted by official neglect. The blame cannot be attributed to the Sanitary Board, which never had power to carry out necessary work. Quite recently the Honourable the Colonial Secretary spoke at a public meeting and bore testimony to the quality of Hongkong residents. He said:—"So far as the public spirit is concerned I have never known any object worthy of support brought forward which has not received support in every way from the inhabitants of Hongkong. * * * * I have never come across such a well informed community; it has been acknowledged as a most enlightened community, and such a standard of intelligence could not have been maintained except by reading." With the Honourable member I can cordially agree in this instance and I believe that we have in our midst men eminent, well qualified to render good service on a properly constituted Sanitary Board.*

26. The following is an extract from the Colonial Surgeon's Report for 1894, concerning the Sanitary Board:—

"As a compulsory member of the Board words are insufficient to express my disgust at, in any way being a part of it * * * * I

"leave the Colony for a time with regret. The only thing I do not regret leaving is the Sanitary Board as a Body, and I hope before I return there will be some improvement as to the individual members."

27. Mr. W. Danby wrote to the Press calling attention to the crusade being waged against illegal cocklofts, etc., and formally alleging corruption in the Sanitary Administration.

28. The *Daily Press* said the Government would have to sift the matter to the bottom either by a Commission or otherwise.

29. A resolution of the Sanitary Board was passed that the Colonial Secretary be requested to furnish the Board with the opinion of the legal advisers of the Crown as to whether any legal steps can be taken with a view to obtaining redress for the apparent misrepresentation made against the Board and its officers in Mr. Danby's letter.

30. At a meeting of the Sanitary Board the President, Honourable Mr. F. A. Cooper, Director of Public Works, minuted as follows:—

"I hope that a full and complete enquiry will be made into Mr. Danby's allegations against the Sanitary Board and its officers, by apparently the only means now available, viz. a Royal Commission."

31. An action was brought by Yeung Shin Kam against the Sanitary Board and Police-Constable Rae as a test case to try the right of the Sanitary Board to enter premises and pull down cocklofts without getting a magistrate's order, which resulted in favour of the plaintiff.

32. Another action was brought by Wong Li Yuen against the Sanitary Board for wrongful acts, and he was awarded \$500 damages.

33. "Apart however from any question of the reorganisation of the Board or the honesty of the officers, one lesson clearly appears from the cases that have recently been tried, namely, that should it unfortunately become necessary at any future time to undertake a general cleansing of the town owing to the outbreak of filth disease, a much closer supervision should be exercised over the operations of the 'Whitewash Brigade' by responsible officers than has hitherto been the case. This year Dr. Clark was in charge of the work but he could not possibly exercise personal supervision over the whole of the details, competent lieutenants are required. It is not right that Chinese householders should be placed at the mercy of a constable or other subordinate officer whose excessive zeal may lead to such occurrences as gave rise to the case tried on Saturday, even if they remain proof against the temptations to act corruptly that must inevitably be held out to them."

34. On May 1896, His Excellency the Governor addressed a communication to the Chamber of Commerce asking whether they adhered to the views of Mr. J. J. Keswick, when he was Chairman of that Chamber, in favour of an official majority in the Sanitary Board or of the more recent views of the Honourable Mr. T. H. Whitehead, their Representative in the Council in favour of an unofficial majority.

35. The Chamber decided to take the opinion of the community on the subject which they did with the following result:—

For the Unofficial Majority, ... 331

For the Official Majority, ... 31

The following is an account of the taking of the Plebiscite:—

THE SANITARY BOARD.

Result of Plebiscite.

For a considerable time the subject of whether there should be an unofficial or an official majority in the Sanitary Board has been a vexed question amongst those in the Colony who take an interest in its Government. In consequence of a communication from the Governor to the Chamber of Commerce asking whether the Chamber adhered to Mr. J. J. Keswick's views in favour of an official majority, as expressed by him while Chairman of the Chamber, or of the more recent views expressed by Mr. Whitehead, the Chamber's representative in the Legislative Council, whose views were diametrically opposed to those of Mr. Keswick, that body decided to refer the matter to the

public in order that they might submit the opinion of the community on the matter to His Excellency the Governor. Yesterday and to-day were accordingly fixed as the days on which the ballot should take place. The voting took place at the City Hall. Two ballot boxes were placed in the Chamber of Commerce room, one labelled "Unofficial majority" and the other "Official majority." To each voter a small ticket was given, and his name entered in a register. With this ticket the voter retired behind a screen and dropped the ticket into the box representing the views he held. The franchise was extended to all male British subjects over the age of twenty-one resident in the Colony, those in the service of the Imperial and Colonial Government excepted. The Committee who organised the ballot are as follows:—Honourable C. P. Chatwin, Honourable T. H. Whitehead, Messrs. N. J. Ede, T. Jackson, A. McConachie, and J. J. Francis. Honourable Captain W. C. H. Hastings and Mr. A. Coxon acted as scrutineers of the ballot. Most of these gentlemen were present during the progress of the voting. The voting took place during the hours of 4.30 and 7.30 p.m. Arrangements were made so that the employees of the Dock Company at the various docks should attend the polling place in relays, and we understand a similar arrangement was carried out with regard to those employed at the Taikoo Sugar Works and Messrs. Jardine, Matheson and Company's Sugar Refineries. About an hour after the ballot was opened to-day nearly 300 residents in all had recorded their votes.

"The public ballot held for ascertaining whether the public were in favour or against the constitution of the Sanitary Board with an official majority was concluded on Saturday and resulted in an overwhelming majority for an unofficial majority, the small number of 31 voted for an official majority, while 331 voted in favour of an unofficial majority. The number of voters on the list was 364, but two of that number had evidently not voted, as only 362 tickets were found in the boxes."

36. In reply to a question in the Legislative Council on 8th July, 1896, the Colonial Secretary said "That the constitution of the Sanitary Board had been referred to the Secretary of State and that he has also been informed of the result of the Ballot."

37. By a Draft Bill entitled "The Sanitary Board Ordinance of 1896" it was proposed to reduce the official members of the Board from 4 to 3 and the unofficials to not more than 2.

38. Apparently the Bill was withdrawn and notwithstanding that the Draft had been approved by the Secretary of State after receiving the plebiscite he did not approve of its becoming law although his decision on that point was never made public.

39. The next election for members of the Board took place on 19th December, 1899, and the Government nominated 4 members and the Medical Officer of Health in addition to the 2 members elected by the Ratepayers.

40. In 1901 there was friction between the Medical Officer of Health and the Secretary of the Sanitary Board, and Dr. Clark claimed to be Head of the Department and able to direct the Secretary. The President (Dr. Atkinson) in a minute to the Government stated that he agreed to the Medical Officer of Health directing the Secretary but he added he (Atkinson) was Head of the Department. The Government in reply stated *the Board was the Head*.

41. In 1901 an Ordinance was passed consolidating the laws relating to Public Health, and enacted that the constitution of the Board should be as above, 6 unofficial and 4 official members and the Medical Officer of Health.

42. In August, 1901, Dr. Atkinson was appointed President of the Board and immediately recommended to the Governor that the Sanitary Board be made a Government Department.

43. The constitution of the Sanitary Board thereby remained unchanged until the passing of the Public Health and Buildings Ordinance 1 of 1903.

To fully understand the reasons for this new Ordinance it is necessary to trace its History.

44. In 1901 a series of articles appeared in the public press written under the *nom de plume* of *Scrutator*, severely criticising the

Sanitary Condition of the Colony and the General Sanitary Administration then in force.

45. This caused a petition to be drawn from the principal residents here to the Secretary of State calling attention to the sanitary condition prevailing and asking for the appointment of experts to be sent out to report thereon.

46. In accordance with this request Professor Simpson, M.D., and Mr. Chadwick, C.F., came out and made their reports thereon, and to give effect to their recommendations, a New Ordinance was drafted and submitted to the Legislative Council.

47. So far as the administration of the Sanitary Board was concerned this Bill proposed that whilst the Board should still exist, there should be appointed an Officer of the Government to be called "The Sanitary Commissioner".

48. The following is an extract from Professor Simpson's Report dated 22nd December, 1902, on the subject:—

"The most noticeable feature in regard to sanitary matters in Hongkong is that no one is responsible. Independence of action by different officers and absence of co-ordination tend to spasmodic action and inefficiency. There is a Sanitary Board and a President who meet at stated times and discuss public health matters, but their functions are advisory. There is the Medical Officer of Health for the Colony, whose duties are executive, but there is no administrative head who is responsible to the Government for the conduct of health matters in the Colony and for the maintenance of a continuous and progressive policy. It is advisable that all municipal health matters be brought more or less under one department, controlled by a sanitary or health commissioner who would be the administrative officer. There is more than ample work to occupy the whole time of such an officer. In addition to being President of the Sanitary Board he would administer the several branches of the Public Health Department, dealing with the health question relating to water supply, sewerage and drainage, alignment and laying out of streets and back lanes, the prevention of the crowding together of new houses, or the formation of new unhealthy areas, the scrutiny of plans of new houses, and the enforcement of compliance with the requirements of health, the preparation of schemes for the consideration of Government in connection with the demolition of insanitary areas, and the reconstruction of sanitary lines, the provision of markets, public latrines, urinals, bath houses, &c., and the general enforcement of the Public Health laws. Lastly, he would be responsible to the Government for the efficient working of the Department, and, like the Director of Public Works, should have a seat on the Legislative Council. Mr. Osbert Chadwick, C.M.G., is also strongly of opinion that a Sanitary Commissioner is required."

49. The Bill was read a first time in July 1902.

50. The public both European and Chinese on examining it, saw that a very large number of the sections were quite unworkable, drastic and unjust.

51. The European section represented by the principal owners of property formed themselves into a committee and employed the service of the 4 principal firms of architects here to examine the Bill section by section and report on the Bill with their suggestions for the improvement of same.

52. This was done and their report forwarded under cover of a Petition from the Committee to His Excellency on 20th September, 1902.

53. The Government thereupon withdrew the Bill and on 6th November substituted another therefor which was read a second time on 27th November.

54. The Attorney General said in moving the second reading of the Bill "That the original Bill as introduced was the produce of Messrs. Chadwick, Simpson and Clark. Every word of it was placed there by themselves. So much was the Bill criticised by the architects and by persons who were affected by the Bill such as landlords and others that this Government felt that the Bill could not be forced through the Council without the criticisms being considered. In considering them the Government found many useful and valuable suggestions which they have thought it right to adopt and give effect to."

55. One of the most obnoxious clauses in the original Bill was the proposed appointment of the Sanitary Commissioner and the petition draw particular attention to that part in paragraph 8 as follows:—

"6. 'Another important matter of principle is the question of the expediency of giving to 'one Officer of the Sanitary Board—the proposed Sanitary Commissioner—such large and arbitrary powers as the Bill contains—with an ideal man whose successors at least could not be assured a despotic system may be the most convenient as otherwise it is certainly the worst. Your petitioners urge that all important discretionary matters whereof none would permit a reference to the Board may be so referred and that the functions of the Commissioner if such an officer is to be appointed may be exercised under the control of the Board restricted to points of detail and routine. Further as it is intended the Commissioner shall be a medical man, Your Petitioners submit that he should at any rate be relieved from all such work as specially falls within the province of the Civil Engineer and Architect.'"

57. In the new Bill which afterwards became law, the proposed creation of the new office of Sanitary Commissioner was deleted.

58. This deletion was quite approved of by the Principal Civil Medical Officer (Dr. Atkinson) who was averse to the creation of such office.

59. His reasons for the non-approval of the appointment were that they wished to appoint a medical man whom he thought would not have sufficient knowledge to fulfil all the requirements of this office—rather than to the office itself. He did not think a medical man who was a stranger to the Colony should have these powers.

60. It is an open secret that Dr. Clark who had been Medical Officer of Health since June, 1895 (7 years) is the medical man Dr. Atkinson refers to, and Professor Simpson in his Report said Dr. Clark's knowledge of Sanitary requirements of Hongkong is unrivalled.

61. Considering that the proposed Sanitary Commissioner was to have been the administrative officer and to be responsible to the Government for the efficient working of the Department, it is a little difficult to reconcile Dr. Atkinson's objections to the office when he recommends to the Government the creation of a Sanitary Department of which he accepts the position of Administrative Head.

62. The Bill was fully debated and one thing that the unofficial members of the Legislative Council called prominent attention to, was the constant introduction of fresh Legislation on Sanitary matters—no fewer than 23 Ordinances relating to Building and Sanitation having been passed within 15 years. The Honourable Mr. C. S. Sharp (Chamber of Commerce) said one thing he felt sure the Community ardently desired to arrive at in regard to these matters if possible was some sort of finality in regard to such legislation as continual introduction of fresh legislation bearing on the same subject cannot fail to have and does have the effect of creating misgivings and great uncertainty in the mind of the public which must be bad for the place and its prosperity.

63. Mr. Chadwick said the Draft Ordinance which he drew up had for its object the avoidance of the necessity for further Sanitary Legislation for the next few years.

64. His Excellency said he earnestly hoped the Bill would go through, and he hoped they would find some finality in this necessary legislation on Sanitary matters and that the result would be what they all hoped, beneficial to the Colony. Notwithstanding this statement as to the finality of Legislation by this Ordinance which became law 21st February, 1903, and the notification of the King's non-disallowance of same in *Government Gazette* 29th August, 1903.

65. On 19th November, 1903, the Government introduced an Ordinance No. 23 of 1903 to amend the Public Health and Buildings Ordinance Number 1 of 1903 and amongst its provisions were some which altered the whole character of the sanitary administration by the creation of a Sanitary Department, and thereby gave the Principal Civil Medical Officer the direct administration by holding him directly responsible, which the Attorney-General said

at the time he was not, because he had no authority when he should have it and that although a Sanitary Department did then exist it was proposed to recognise it by statute.

66. The Bill became law 19th December 1903. This was practically the death knell and extinction of the authority to administer the laws by the Sanitary Board and reduced it to a department controlled by the Government through the Principal Civil Medical Officer and thereby nullified the public wishes as expressed in the plebiscite and approved by the Secretary of State that the Sanitary Laws should be administered by a Board having an unofficial majority.

A. SHELTON HOOPEE.

THE "STAR" FERRY CO., LTD.

The ninth ordinary annual meeting of the "Star" Ferry Co., Ltd. was held at the office of Messrs. Gibb, Livingston and Co., on the 29th May. Sir Paul Chater presided, other shareholders present being Hon. Mr. H. Keawick (director), Hon. Mr. E. Osborne (secretary), Messrs. P. C. Potts, H. Humphreys and Ho Fook.

The SECRETARY read the notice calling the meeting.

The CHAIRMAN said—Gentlemen:—With your permission I will take the Report and Accounts as read.

The Profit on Working Account, notwithstanding a decrease of something like a million in the number of passengers carried, and a loss of \$98.6 in changing subsidiary coins is, you will observe, \$5,024 more than last year, the explanation of this apparent anomaly being that in the latter part of the year we raised the rate of third class passengers, whilst the working expenses were less owing to a reduction in the price of coal. The increased profit on Working Account, indeed considerably more than this sum, has however been absorbed in paying for the damage caused by the typhoon of September, to the guide piles at Ice House Street Wharf which were completely destroyed, and to the Wharf itself which under our agreement with the Government, we have to keep in repair, after providing for which there remains sufficient for a 1 per cent. dividend. Gentlemen, deplorable as these losses are, when we remember the havoc wrought on that occasion, and contemplate what others suffered, I think we have cause for congratulation in the fact that our boats escaped with injury so slight that within an hour of the storm ceasing the ferry service was resumed. The reduction in your dividend, which, we hope, is only temporary, is but a small matter compared with what our loss might have been, and I feel sure you will cheerfully accord a word of praise to the crews of the boats who, at no inconsiderable personal danger, saved your property from destruction. A new wharf is being built at Kowloon this time parallel with the Praya, which will enable the boats to berth without the loss of time and expenditure of coal, the present one, by reason of its position across the tide, involves. This wharf like its predecessor, of which two thirds were swept away in the typhoon, is being erected at the expense of the Wharf Co. whose property it will remain, and I think we may safely anticipate that when completed, and steamers are once again berthing at the other reconstructed Kowloon Wharves, a revival of former traffic receipts is almost sure to follow. With these remarks I will be pleased to answer any questions shareholders may wish to ask.

No questions were asked, and the CHAIRMAN proposed the adoption of the report and accounts as presented.

Mr. Ho Fook seconded, and the motion was carried.

Mr. Potts moved the re-election of Mr. A. G. Wood as a director, and the confirmation of the appointment of the Hon. Mr. W. J. Gresson.

The motion was seconded by Mr. Ho Fook, and agreed to.

Mr. HUMPHREYS proposed, Mr. Potts seconded, and shareholders agreed to the re-appointment of Messrs. F. Maitland and W. H. Petts as auditors.

The CHAIRMAN—That is all the business gentlemen. Dividend warrants can be had on application.

CANTON.

(FROM OUR CORRESPONDENT.)

May 17th.

LI HING YU.

This gentleman is described as the principal shareholder in the Yuet-Han railway, and the magistrates, by Viceregal order, have summoned him to show cause why Wu Ting Fang and Cheung Pei Sze should be objectionable as directors. The Company's secretary has replied that Mr. Li is too busy at present issuing cheap rice to the poor.

TOO NEAR.

The Commissioner of Customs having objected strongly to the new jetty erected close to the Customs shed, for the convenience of passenger junks, the Nam Hoi magistrate has ordered its removal.

ATTACHMENT OF PROPERTY.

Representations by the German Consul regarding the attachment of Chinese merchants' property for foreign creditors have been referred to the Chamber of Commerce.

THE RAINS.

Heavy rains have flooded the Nam Hoi rice-fields, greatly damaging crops. Canton Water-works reservoirs at Sangpo (East) were damaged. Faishan streets were inundated.

TAIPING REBELS.

Members of the "Three Dots Society" are playing shuttlecock between the Kwangtung and Kwangsi battledores. Both provincial authorities harry them, as they profess Taiping principles.

RAILWAY FATALITY.

At about noon on the 12th, as the line near "Fire-Eyes Bridge," a man was run over and killed. He expected the train would make a detour to pass him, but it only screamed at him and went straight on.

May 25th.

ARRIVAL OF JUDGE WILFLEY.

Mr. Wilfley, the American Judge for China Courts, arrived here on the 23rd inst. I understand that he is here to formally inaugurate the Court in the Consulate, and that he did so yesterday. It is stated that he will visit all the treaty ports around the coast for a like purpose.

A DREADFUL FIRE.

A big fire occurred in a marshed in the vicinity of Kongmoon on the 20th instant, killing two actors and more than four hundred spectators. A stall near by, selling entables, had been careless in making the fire for its cooking. The benevolent institutions in Kongmoon lost no time in providing a large

number of coffins, as well as board for carrying those injured to the hospital for treatment.

EARTHQUAKE IN WAICHOW.

Only recently an earthquake was felt in Waichow, a couple of days journey from Canton. It continued for quite a while, but did no damage.

COAL MINE IN WAICHOW.

An excellent coal mine has been discovered in the locality of Waichow. The local officials are making an effort to raise the requisite sum for working it, by promoting a company.

CANTON NEW BRIDGE.

The conditions for the erection of the bridge across the river have been drafted and submitted to His Excellency for consideration. Both the Board of Reorganization and of Agriculture, Industry and Commerce are now having a conference on this question.

DEPARTURE OF VICEROY'S FAMILY.

A rumour is in circulation that His Excellency Chou Fu's reason for sending his family up to Shanghai is the fact that he may have to relinquish his position at any moment after being impeached by His Excellency Shun, and hence he has thought it best to make this preparation. They left here last evening.

May 27th.

TROUBLES NEVER COME SINGLY.

Admiral Li Chuu will shortly leave for Limchow, a short distance from Pakhoi, to quell a disturbance there. As it is seemingly directed against the missionaries, the British Consul here has caused gunboats to go to render the necessary protection. At Yum Chow, not far from this locality, there is also a state of unrest caused by a large band of robbers and the officials have appealed to the Viceroy for a good supply of ammunition in order to cope with them, should things come to a crisis. To make the Viceroy more uneasy in his mind, I hear that he has also received despatches from the authorities at Chachow Fu and the Hing Yuen Prefecture in Kwangsi complaining of similarly turbulent conditions, and asking him to increase the military forces within their jurisdictions.

LAYING WATERPIPER.

The work of connecting branch pipes with the main, commenced some days ago, and "fearing that troubles may ensue in preventing the people from gathering around to see the work done, the two Magistrates Nam Hoi and Pen Yu, with some police officers, are stationed there to preserve peace."

ARRIVAL OF NEW TARTAR GENERAL.

On the evening of the 15th instant quite a number of officials went to meet the New Tartar

General on arrival of the gunboat Kwong Yuen. He entered upon his duties on the 25th instant.

THE VALUE OF THE QUEUE.

All teachers of the different schools and colleges here who are in European costume have been requested by H. E. Chou Fu to grow the queue again. As an inducement they will receive a fifth official rank and money to purchase Chinese dresses if they are willing to sign their names promising to comply with H. E.'s request.

A CURIOUS TELEGRAM.

A telegram received yesterday states that the successor of Viceroy Chou Fu is H. E. Tuen Fang of the two Kiang Provinces and that he will come to Canton as soon as H. E. Chou is able to take over the charge of his Yamen.

THE DISTURBANCES AT PAKHOI.

DAMAGE TO MISSION PROPERTY.

The latest mail news from the Church Missionary Society at Pakhoi, received this week by the Venerable Archdeacon Banister, states that two official despatches have been forwarded to the Mission by the British Consul in regard to the unsettled state of the country. The Consul's first intimation was that all foreign missionaries must return at once to Pakhoi from Yamchow and Lingshan, and he wished to know the number of converts in these two places. In a second letter the Consul stated that he had requested the Prefect to protect the Mission's property in Linchow. He also requested Mr. Wicks to return to Pakhoi for the present. The Prefect admitted to the Customs that while there was no immediate danger there might be at any time. On date of writing the insurgents had reached Na-tan, 30 miles from Linchow. The telegraph wires have been cut at Ko-tak, and 300 yards stolen. There are no soldiers in Linchow, all being away with the General, but at present there are no signs of trouble in Pakhoi.

In a second letter from the Mission, dated 24th inst., it was stated that a telegram had been received from one So Chi-ming saying that the Kau-tong (Mission Chapel) had been broken into, and that robbery with violence had taken place. The cook in the service of Mr. and Mrs. Wicks reached Pakhoi on the afternoon of the 24th, and reported that on the previous day while atiffin "the people were coming to kill." Before finishing their meal Mr. and Mrs. Wick jumped up, rushed off to the yamen, and were safe. The cook again saw them on the morning of the 24th, and they were well. At the Mission Station at Pakhoi it was considered probable that Mr. and Mrs. Wicks were coming down escorted by soldiers. The Gospel Hall, where Mr. Mackenzie lived, has been thoroughly looted, and so also has Mr. Wicks' place; everything was taken, the doors broken off and other destruction caused, but the roof remains unbroken. Wong Yuk-leung, (a convert) was injured. On the night of the 23rd the Pakhoi community, excepting the single men, took refuge on the Sigan (a B. and S. steamer), as the officials were afraid there would be trouble. On the morning of the 24th they all went ashore, but intended to pass the night in the hospital.

Another letter, dated May 25th, said that Mr. and Mrs. Wicks were awaiting an escort and expected to arrive that evening. The officials were short of soldiers, hence the delay in supplying an escort. A gunboat was expected.

The total receipts into the Treasury between January 1st and March 31st amount to \$3,088,717.18, while the payments out were \$2,817,755.53, the balance of receipts over payments being \$270,961.65.

A correspondent forwards us the information that the Shanghai-Nanking Railway line to Changchow, 104 miles inland, is opened. The line runs through beautiful country with a background of inland lakes and green fields, and passes the town of Wusuh, a place noted for its silk industries.

KOWLOON-CANTON RAILWAY.

CLASSIFIED ESTIMATES.

Main Head.	Sub Head.	Total Brought Forward from 1906.	Store Debits.	Total during the year 1907.	Grand Total.
		\$ c.	\$ c.	\$ c.	\$ c.
I—Preliminary Expenses,	(a) Survey Expenses,	3,854.79	...	10,000.00	43,854.79
II—Land,	...	13,721.45	...	10,000.00	113,721.45
III—Formation,	(a) Earthwork,	109,482.04	...	600,000.00	709,482.04
	(b) Tunnels,	101,779.09	...	600,000.00	701,779.09
	(c) Roads,	...	...	20,000.00	2,000.00
IV—Bridgework,	(a) Major Bridges,	4,891.35	...	300,000.00	304,891.35
	(b) Minor Bridges,	14,448.6	...	300,000.00	314,448.16
	(c) Culverts,	6,377.78	...	50,000.00	56,377.78
V—Fencing,	(a) Boundaries,	346.45	...	...	346.45
VI—Electric Telegraph,	...	2,413.83	...	2,000.00	4,413.83
VII—Track,	(a) Ballast,	429.00	...	100,000.00	100,429.00
VIII—Plant,	(a) Construction,	50,148.79	...	150,000.00	200,148.79
	(a) Engineering	...	...	...	...
X—General Charges,	(a i) Salaries, and allowances	49,455.82	...	50,000.00	99,455.82
	(a ii) Temporary Quarters and Offices	19,173.72	...	20,000.00	39,173.72
	(a iii) Instruments	7,099.54	...	8,000.00	15,099.54
	(a iv) Office Expenses	6,637.64	...	5,000.00	11,637.64
	(a v) Medical	2,067.30	...	3,000.00	5,067.30
	(a vi) Home Charges	7,150.51	...	15,000.00	22,150.51
	(a vii) Typhoon Damages	26,715.36	...	...	26,715.36
Stores—China	...	138,989.23	138,989.23	100,000.00	1,000,000.00
Stores—China: Bricks,	...	4,474.60	4,474.60	5,000.00	5,000.00
Total	...	\$ 599,546.45	143,463.83	2,438,000.00	2,894,082.62

G. W. EVE,
Chief Resident Engineer.

Hongkong, 15th March, 1907.

COMMERCIAL.

The Yokohama Prices Current and Market Report, published by the Yokohama Foreign Board of Trade, and dated Yokohama, May 15th, 1907, has the following:—

IMPORTS.

Yarns.—The market remains quiet. Shirts:—There is a better feeling, but no actual business reported. Fancy Cottons and Woollens. —The market is extremely dull, and owing to the recent failures and the precarious condition of some of the other merchants, business is at a standstill. Mats:—There appears to be no change in the situation, and while Tokyo prices are advancing for a few lines, notably Wire Nails and Gas Pipes, there is still very little interest in forward purchases. Kerosene.—No change. Sugar.—In anticipation of the usual demand for the warm season, there has been some improvement in the market towards the end of the last fortnight, and quotations are tending upward. Since last reported, there were two auctions of the Tokyo Refinery held and 8,200 bags sold, prices latterly showing an advance of 15 to 20 sen per bag. Indigo (Natural).—No business doing.

EXPORTS.

Tea.—The season opened about four days later than last year, a few small lots changing hands on the 2nd instant. Supplies have been coming in freely, but the quality of the offerings is scarcely up to the average, either in leaf or cup. Prices, on the other hand, show an advance of 5 to 10 per cent., on which basis all the choicer parcels have found ready buyers. Total settlements from May 1st to May 15th amount to 15,000 piculs, against 20,200 piculs at the corresponding date last year.

GENERAL EXPORTS.

Copper.—No change. **Fish Oil.**—In sympathy with home markets, a general rise has taken place, and between ten and fifteen thousand cases have changed hands at prices ranging from Yen 7.80 to Yen 8.70. Lately rather discouraging reports about the new catch have arrived from the north, and all sellers have withdrawn from the market.

SILK REPORT.

A very quiet fortnight lies behind us, during which period but few transactions have been put through and an artificial decline has been created by considerable quantities of rejections from the local Silk Exchange having been put on the market. It has, however, to be noted that these rejections are of such poor quality that they cannot be exported except as very lowest grade of Filatures, whilst the supply of really good Silks is practically exhausted for the season. Prospects for the new crop continue favourable.

WASTE SILK.

Market very quiet, enquiries being almost entirely for native consumption. Settlements from April 30th to May 13th 500 piculs. Total Settlements from July 1st to May 13th:—57,100 piculs. Stock on the May 14th is estimated at 5,400 piculs, viz:—Noshi, 1,000 piculs; Kibizzo, 3,300 piculs; Pierced Cocoons, — piculs; Sundries, 1,100 piculs.

OPIMUM.

Hongkong, May 30th.

Quotations are:—Allowance net to 1 catty.

Malwa New	\$820	to —	per picul
Malwa Old	\$850	to —	do.
Malwa Older	\$880	to —	do.
Malwa Very Old	\$920	to —	do.
Persian Fine Quality	\$600	to —	do.
Persian Extra Fine	\$680	to —	do.
Patna New	\$915	to —	per chest.
Patna Old	.....	to —	do.
Benares New	\$905	to —	do.
Benares Old	.....	to —	do.

COAL.

Messrs. Hughes and Hough, in their Coal Report of 30th May, state that 23 steamers are expected at Hongkong with a total of 81,100 tons of coal. Since May 11th 17 steamers have arrived with a total of 51,450 tons of coal.

The market has continued dull for all kinds and rates are nominal. A time contract of 20,000 tons Japanese has been made on private terms.

Quotations:—

Carliff	\$14.00 to \$15.00 ex-ship, nominal.
Australian	\$11.50 to \$12.00 ex-ship, nominal.
Yubari Lump	\$12.00 nominal
Miki Lump	\$10.00 nominal.
Moji Lump	\$6.00 to \$8.00 ex-ship, steady.
Moji Unscreened	\$6.00 to \$7.00 ex-ship, steady.
Akaike Lump	\$7.75 to \$8.25 steady.
Bengal	\$9.00 to \$9.50 nominal.
Labuan Lump	\$8.00 steady.

YARN.

Mr. P. Eduljee, in his Report dated Hongkong, 31st May, states:—The market has continued to droop and our quotations show a lower range all round of one to three dollars per bale. Reports from the consuming districts are not encouraging, and an incessant decline in prices consequent on a steadily rising exchange frightens away country buyers from the market. Dealers have still a large quantity of goods on hand with which, together with their late contract goods now arriving, they are meeting whatever little demand that exists. Business from first hands consequently is not large, and dealers will not pay these prices unless for their most urgent wants.

Sales of the interval aggregate 4,240 bales, arrivals amount to 4,038, unsold stock estimated at 66,000, and sold but uncleared yarn in second hands at 31,000 bales.

Local Manufacture:—No sales are reported.

Japanese Yarn:—A few small lots aggregating 170 bales No. 20s have changed hands at from \$122 to \$130.

Raw Cotton:—Continues to move very slowly owing to dullness in the market for twist, and the majority of the late receipts have gone into godown. Sales reported are 210 bales superfine Bengals at \$20 to \$20½ and 150 bales China at \$23. Stocks estimated at 1,800 bales Indian and 400 bales Chinese. Quotations are \$16 to \$20½ Indian and \$21 to \$24 China.

Exchange on India has continued to advance and shows a gain of 4 points during the interval, closing steady to-day at Rs. 16½ for T/T and Rs. 16¼ for Post. On Shanghai 73½ and on Japan 107½.

The undernoted business in imported and local spinnings is reported from Shanghai during the fortnight ended the 25th instant, viz:—

Indian:—Market easier, prices having given way half to one Taal. Sales aggregate 5,500 bales with an estimated unsold and old, but uncleared, stock of about 138,000 bales.

Japanese:—In better enquiry, sales amounting to about 3,000 bales on the basis of Tls. 85 to 90½ for No. 16s, and Tls. 89 to 98 for No. 20s, market closing firm.

Local:—No business is reported.

PIECE GOODS.

The following is the weekly Piece Goods Report of Messrs. Ilbert & Co., dated Shanghai, May 24th:—During the week under review the tone of our market has undergone no change, the course of prices on the whole having been steady to firm, with but little resale transactions recorded. In American Sheetings and Cotton Flannels, there has been some forced liquidation of stocks by one or two weak holders. Szechuen buyers having taken advantage of the cheap values, at which these stocks were available to make a fair quantity of purchases upon the basis of prompt clearance. There has been a certain amount of business done in resale from here for shipment back to America of American 4-yard Sheetings and Jeans, also of a few 3.50-yard Sheetings, and negotiation for the sale of further quantities in 3 and 3.25-yard goods are stated to be in progress. These sales will, if sufficient in quantity to make any noteworthy impression upon the heavy stock figures, considerably ease the position of holders here, and also encourage buying from the consuming districts, the recent reselling of a few bales of P.M.C. Drills to the Bombay markets having had the effect of strengthening the price of that well-known brand from Tls. 4.05 a few days ago, to Tls. 4.24, and Tls. 4.25 is now being asked. The rise in prices in supplying countries which has rendered such business as the above possible, may be regarded as a fortuitous circumstance, but the absence of demand from Manchurian outlets for which the overtrading of the year before last has long since been fully discounted, that gives rise to this unnatural flow of business, is one that is to be deplored. The Peking correspondent of "The Times" has drawn his paper's attention to the Japanese negotiation in practise of the policy of the Open Door in Manchuria, and refers to the wholesale employment of imitated British and Foreign trade-marks. Although Japan became a party to the International Trade Marks Convention in 1899, it would appear that Japanese shippers are supported in this connexion by that country's official attitude with regard to this question, as exemplified in a recent decision in a well-known trade-mark case tried in Japan—i.e., James Buchanan & Sons' "Black and White" whisky trade-mark. Manchester has been closed owing to the Whitsun holidays, but American alives show the mills there to be in a very strong position, and productions mostly sold well up to the end of the year.

Messrs. Noel, Murray & Co.'s Report on the Shanghai Piece Goods Trade, dated Shanghai, 23rd May, 1907, states:—The only item of interest that has been manifest during the week in this market was first of all the rumour that a certain firm of American importers had received instructions to ship back some of their stock to New York. As this went the rounds it naturally grew in importance, until the firm implicated could scarcely recognise it was their supposed action that was referred to. Then it was reported that a considerable parcel of goods bought for this market, but held in the States, had been cancelled and their shipment entirely countermanded. This led to a considerable amount of conjecture amongst those interested in the trade, and various guesses and statements have been made, but as a matter of fact nothing definite is settled as to the quantity to be re-shipped, as it will depend largely on the condition of the market here, there being possibilities of large developments in that direction. A first shipment of 1,500 bales has arrived already and is supposed to consist of lighter weight Sheetings chiefly, but Cotton Flannels are also mentioned as being under orders to a moderate extent. This has naturally caused not a little excitement, and the Native dealers are assuming a much more cheerful and confident demeanour, and a certain amount of speculative buying has commenced amongst themselves. Further developments are now awaited. The movement has a certain amount of significance in face of the reported heavy engagements of manufacturers for the home trade until late on in the year, and the small supply of Cotton available; in fact telegrams have been received here stating that the stock of "middling" is exhausted in the States, in spite of the enormous crop, and futures are quoted 11.28 cents gold for December and 11.38 cents for January, so that there may be wheels within wheels as it were. As regards the Manchurian question, it appears to be attracting more attention in interested quarters and may eventually be satisfactorily settled to the interests of all concerned, but meanwhile the establishment of the Custom House at Dalny has again been postponed until July now. Manchester is asking higher prices in view of the advance in Cotton, to-day's wire quoting the Liverpool market 7s. 1d., for spot Mid-American, while 'futures' are only 6.55d. Egyptain remains steady at 10½d. An important upward movement in New York has caused more free use of the telegraph, and it is generally understood the market is strong and advancing, with no possibility of fresh supplies being procurable for export before November or December. Current business from first hands remains as dull as ever, there being scarcely any movement perceptible. Amongst second hand holders, however, there is decidedly more activity, but what would be a very active movement is checked by the higher prices wanted. Here and there it has been possible to pick up small parcels at cheap prices from weak holders, but they will not part with any large quantities and that is just what buyers for the consuming districts are waiting for. At the Auctions prices have ruled very irregular, so much so that it is difficult really to judge of the tendency of the market. Nothing but a close comparison of prices can give any adequate idea of the course of business. Cotton Yarn.—Indian.—In spite of all else the price of Cotton must have some effect on these spinnings, which show signs of being more firmly held than of late. The result has been a considerably reduced off-take, but prices have remained steady to firm. The No. 10s have found buyers for Tientsin and Kiaochow at steady to firm prices, as compared with last week, and for the River Ports much the same may be said of the other counts.

HONGKONG QUOTATIONS.

Hongkong, 30th May, 1907.

Apricot	.....	\$ 10 to 15
Borax	.....	\$ 18 " 18
Cassia	.....	\$ 18 " —
Cloves	.....	\$ 25 " 40
Camphor	.....	\$160 " —
Cow Bezoar	.....	\$110 " 140
Fennel Seed	.....	\$ 3 " 9
Galangal	.....	\$ 3 " 5½
Grapes	.....	\$ 10 " 12
Kismis	.....	\$ 9 " 11
Glue	.....	\$ 24 " 28
Olibanum	.....	\$ 4 " 16
Oil Sandalwood	.....	\$24½ " 350
„ Rosa	.....	\$ 50 " 150
„ Cassia	.....	\$270 " —
Raisins	.....	\$ 7 " 8
Senna Leaves	.....	\$ 3 " 7
Sandalwood	.....	\$ 24 " 29
Saltpetre	.....	\$ 10 " 10½

AMOY CUSTOMS RETURNS.

The Amoy Gazette and Shipping Report, dated 23rd May, 1907, has the following list of the principal goods passed through the Amoy Customs House.

IMPORTS.		QUANTITY
Goods.		
Cotton Raw, Indian.	pls.	73
" " Native	"	1
" " Yarn	"	2,637
Shirtings, Grey	pcs.	730
T-Cloths	"	1,027
Shirtings, White	"	1,094
T. Red Shirtings	"	60
Drills	"	90
Shirtings Dyed, Brocades.	"	93
" Dyed	"	841
Damaaks	"	—
Camlets	"	45
Lasting	"	22
Spanish Stripes	yds.	421
Lustres, Figured	"	—
Lead in Pigs	pls.	7
Tin in Slabs	"	161
Iron, Nail Rod	"	11
Quicksilver	"	1
Iron, Old	"	87
Ironwire	"	36
Rice	"	17,710
Opium, Patna	"	—
" Benares	"	54
" Persian	"	10
" Malwa	"	1
" Szechuen	"	—
" Yunnan	"	—
" Kiangsu	"	—
Sesamum Seed	"	111
Sapanwood	"	—
Sandalwood	"	61
Rattans	"	12
Wheat	"	—
Flour	"	95
Beancake	"	22,309
Beans and Peas	"	21,702
Bicho de Mer	"	19
Mats, Tea	pcs.	—
Oil, Kerosene American	gals.	708,960
" " Borneo in bulk	"	—
" " Russian	"	—
" " Sumatra	"	—
" " Bulk	"	—
Coal	tons	1,696
Tobacco Leaf	pls.	1,613
Vermicelli	"	—
EXPORTS.		QUANTITY
Goods.		
Sugar, White	pls.	—
" Brown	"	—
" Candy	"	—
Hemp Bags	pcs.	22,754
" Sacking	"	2,000
Paper I Quality	pls.	716
" II	"	260
Tobacco, Prepared	"	19
Kittysols (umbrellas)	pcs.	585

MISCELLANEOUS EXPORTS.

Per s.s. "Deucalion," sailed on 8th May, 1907. For Marseilles:—80 bales canes. For Havre:—100 bales split bamboo, 100 bales canes, 400 rolls mats. For London:—13 bales waste silk, 105 cases China and blackwood ware, 200 bales tea mats, 210 bales canes, 850 rolls mats, 41 cases chinaware, &c., 102 bales feathers, 181 bags ore. For Swansea:—274 bag ore. For Dundee:—50 bales tea mats. For London or Glasgow:—100 casks ginger. For London or Hamburg:—215 bales canes, 250 bales cassia, 15 cases essential oil, 360 bales canes. For Hamburg or Antwerp:—20 boxes bristles. For Copenhagen:—67 bales feathers. For Antwerp:—213 bag ore, 128 bales feathers, 290 bales split bamboos, 26 bales canes. For Rotterdam:—90 cases ginger, &c.

SHARE REPORTS.

Messrs. J. P. Bisset & Co.'s Share Report for the week ending May 23rd, 1907, states:—There has been a fair general business done since our last, and a good many shares in various undertakings have been dealt in at about current rates. The coming settlement for May is a small one, and hardly any liquidation for it is necessary. The Whit Monday holiday, however, slightly retarded business. The T. T. on London to-day is 2/11. Banks.—H. & S. Banks have sustained a drop this week and on the 17th shares changed hands at \$890 exchange 73. Since then, however, buyers have appeared, but no shares have as yet come out. Marine & Fire Insurance.—Yangtszes have been dealt in at \$180 and are wanted at this figure.

Shipping.—Indo-China S. N. Co. Nothing has been done. Shanghai Tug & Lighter Co. ordinary shares are on offer at Tls. 48. Preference shares still remain at Tls. 50. Docks and Wharves.—Shanghai Dock and Engineering Co. Ltd. The market opened at Tls. 78 for cash and has subsequently fallen to Tls. 76. We hear of sales for December at Tls. 80. The market closes with buyers at these rates. Sugars.—There is nothing reported. Mining.—Chinese Engineering and Mining Co. Shares have advanced to Tls. 16½ for cash, at which rate small lots have been dealt in. Shanghai Lands. A weaker market has prevailed and the old shares can be bought at Tls. 103. Industrial.—A sale of Laou Kung Mows is reported at Tls. 82½ September. Shanghai Gas Co. A few shares have been placed at Tls. 107½. Shanghai Ice have changed hand at Tls. 17 and Tls. 16½. China Flour Mills have been dealt in at Tls. 64½ for May and Tls. 65½ for June. Maatschappij, &c., in Langkats. A few cash shares that have been offered at Tls. 28½ have all been taken. For September Tls. 29½ have been done. The market closes strong. Kalumpong Rubbers were dealt in yesterday at Tls. 29. Shanghai Sumatra Tobacco Shares have been placed at Tls. 112½. Miscellaneous.—S. Moutrie & Co. Small lots have changed hands at \$4½. Hotel des Colonies. The market opened at Tls. 14½, but yesterday a drop took place and a sale was reported at Tls. 13. Astor House Hotel Shares are quoted at \$29 with sellers for June at \$30. Shanghai Horse Razors remain at Tls. 44 to Tls. 45. Telephones. Two small lots have been placed at Tls. 64 and Tls. 65. Loans and Debentures.—There is nothing to report under this heading.

HONGKONG 31st May, 1907.—We have again to report upon another quiet week, with rates in most cases still inclining toward weakness.

BANKS.—Hongkong and Shanghai have still further declined, and after small unimportant sales at \$890, \$887½, and \$885, close with sellers at \$887½, and probable buyers at \$880. London has receded to £99. Nationals are unaltered at \$51.

MARINE INSURANCES.—Unions have been booked at \$770, and \$760, and a few shares are still for sale at the latter rate. Yangtze is a firm with probable small buyers at \$65. Cantons and North Chinas are unchanged and without business.

FIRE INSURANCES.—Chinas have improved to \$8½ at which rate sales have been effected and there are further buyers. Hongkongs are procurable at the reduced rate of \$325.

SHIPPING.—Hongkong, Canton and Macao close steady at \$29½, after small sales at that rate and \$30. Douglases have advanced to \$40 after sales at \$38½ and \$39. Indos are unchanged with sellers at \$71. Star Ferries are easier with sellers at \$26, and \$16½ for the old and new issues respectively, ex the dividend of 1½% for the year ending 30th April, 1907, paid yesterday. Shell Transports have receded to 47s.

REFINERIES.—China Sugars have been booked in a small way at \$118, but have not retained their position, and are now procurable at \$115. Luzons are still for sale at \$21.

MINING.—Raubs are slightly firmer with probable buyers at \$6½, and Charbonnages can be placed at the improved rate of \$465.

DOCKS, WHARVES AND GODOWNS.—Hongkong and Whampoa Docks are easier with sales and further sellers at \$105. Hongkong and Kowloon Wharves have sold at the reduced rate of \$81, and are in further request. Shanghai Docks are firmer with local sales at Tls. 81. Shanghai and Hongkew Wharves are quoted from the North at the improved rate of Tls. 225.

LANDS, HOTELS AND BUILDINGS.—Hongkong Lands sold and have further sellers at \$107. Kowloon Lands are offering at \$37, and Humphrey's Estates at \$109. West Points are quiet with probable buyers at \$18. Hongkong Hotels continue on offer at \$118.

COTTON MILLS.—We have heard of no business in this section. Hongkongs remain on offer at \$11½. Quotations for the Northern mills are taken from last mail advice received.

MISCELLANEOUS.—China Providents have been looked at \$9 and have further sellers. Green Island Cements have been fixed at \$17½, \$17½, and \$17, closing with sellers at \$17½. Union Water Boats have been booked at \$12½, Watsons at \$11½ ex div., and Steam Laundries at \$7. Peak Tramways are wanted at \$11 ex the dividend of 10 per cent. paid on the 27th instant.

Quotations are as follows.—

COMPANY.	PAID UP.	QUOTATIONS.
Alhambra.....	\$200	\$120
Banks—		
Hongkong & Shanghai.....	\$125	\$887½, sellers
National B. of China		London, £99
A. Shares.....	£6	\$51
Bell's Asbestos E. A.....	12s. 6d.	\$7, sellers
China-Borneo Co.....	\$12	\$9½, sellers
China Light & P. Co.....	\$10	\$6½
China Provident.....	\$10	\$9, sales & sellers
Cotton Mills—		
Ewo.....	Tls. 50	Tls. 62
Hongkong.....	\$10	\$11½, sellers
International.....	Tls. 75	Tls. 52
Laou Kung Mow.....	Tls. 100	Tls. 80
Soychee.....	Tls. 500	Tls. 350
Dairy Farm.....	\$6	\$15½
Docks & Wharves—		
H. & K. Wharf & G.....	\$50	\$61, buyers
H. & W. Dock.....	\$50	\$105, sales & sel.
New Amoy Dock.....	\$6½	\$11½, buyers
Shanghai Dock and	Tls. 100	Tls. 80 sales
Eng. Co., Ltd.....		
Shanghai & H. Wharf.....	Tls. 100	Tls. 225
Fenwick & Co., Geo.....	\$25	\$17½, sellers
G. Island Cement.....	\$10	\$17½, sellers
Hongkong & C. Gas.....	£10	\$175, buyers
Hongkong Electric.....	\$10	\$15, sellers
Hongkong Hotel Co.....	\$50	\$118, sellers
Hongkong Ice Co.....	\$25	\$245
Hongkong Rope Co.....	\$10	\$20, buyers
Insurances—		
Canton.....	\$50	\$280, sellers
China Fire.....	\$20	\$83, sales & buy.
China Traders.....	\$25	\$95
Hongkong Fire.....	\$50	\$325, sellers
North China.....	£5	Tls. 77½, sellers
Union.....	\$100	\$760, sellers
Yangtze.....	\$60	\$165
Land and Buildings—		
Hongkong Land Invest.....	\$100	\$107, sales & sel.
Humphrey's Estate.....	\$10	\$10.90, sales & sel.
Kowloon Land & B.....	\$30	\$37, sellers
Shanghai Land.....	Tls. 50	Tls. 101
West Point Building.....	Tls. 50	Tls. 100
Mining—		
Charbonnages.....	£250	\$465, buyers
Raubs.....	18, 10	\$6½, buyers
Peak Tramways.....	\$10	\$11, x.d. buyers
Philippine Co.....	\$10	\$5
Refineries—		
China Sugar.....	\$100	\$115, sellers
Luzon Sugar.....	\$100	\$21, sellers
Steamship Companies—		
China and Manila.....	\$25	\$15½
Douglas Steamship.....	\$50	\$40
H. Canton & M.....	\$15	\$29½
Indo-China S.N. Co.....	£10	\$71, sellers
Shell Transport Co.....	£1	47
Star Ferry.....	\$10	\$26, sellers x.d.
Do. New.....	5	\$16½, sellers x.d.
South China M. Post.....	\$25	\$23, sellers
Steam Laundry Co.....	5	\$7, sales
Stores & Dispensaries—		
Campbell, M. & Co.....	\$10	\$20, sellers
Powell & Co., Wm.....	\$10	\$8, sellers
Watkins.....	\$10	\$1½
Watson & Co., A. S.....	\$10	\$11½, x.d. sellers
United Asbestos.....	\$1	\$10½, buyers
Do. Founders.....	\$0	\$150
Union Waterboat Co.....	\$10	\$12½, sales

VERNON & SMYTH, Brokers.

FREIGHT.

Messrs. Wheelock & Co.'s Freight Market Report, dated Shanghai, 23rd May, 1907, states:—We note a slight improvement in the amount of cargo for our Homeward Freight Market since our last. Everything however, remains extremely dull. Coastwise:—Rates are firm owing to lack of outside tonnage, but there is almost nothing doing.

FRIDAY, May 31st.

May— DEPARTURES.

ARRIVED.

DEPART: D.

Printed and published by BERTRAM ARGENTUS
for the Concurrence, at 10A, Des Vœux
Road, Central, City of Victoria, Hongkong,
London Office 131, Fleet Street, E.C.